

Why can't anyone overtake the Cortina?

Many a car has challenged the Cortina.

Many a car has fallen by the wayside. Why is it that no one can even approach its popularity, let alone overtake it?

It's a question of balance.

You might find one car that can match its speed, or another that can match its space, but when you look at the whole picture — fuel economy, service costs, parts, insurance, depreciation — no car is quite so completely satisfying.

That's the genius of the Cortina, and the engineers who designed it.

It's fast but it isn't thirsty.

It's economical to run, but it isn't dull to drive.

It handles well, but it doesn't have a hard uncomfortable ride.

As a piece of engineering it's perfectly balanced.

Who can keep up with it?

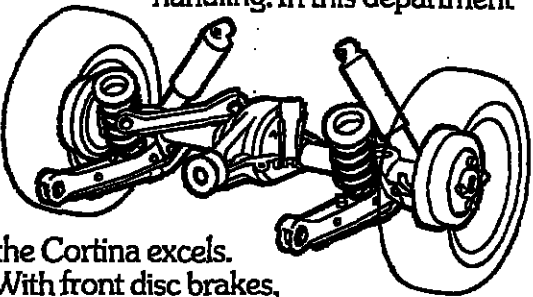
By no means everyone. The Cortina has more than enough acceleration to overtake quickly and decisively on country roads. And to cruise effortlessly at motorway speed limits.

	Max speed (mph)*	0-60 (secs)*
Cortina 1300 single venturi	87	16.1
Cortina 1600 single venturi	94	12.7
Cortina 1600 twin venturi	101	10.9
Cortina 2000 twin venturi	105	9.8
Cortina 2300 twin venturi	109	9.6

*Ford computed performance figures for manual transmission saloon.

Speed isn't everything

It's no use having a high top speed if it isn't balanced by safe, predictable handling. In this department



the Cortina excels. With front disc brakes, heavy duty front anti-roll bar, and rear gas shock absorbers standard on all models. There's an optional 'S' pack to give sports car handling characteristics for the enthusiast.

Taking some of the labour out of servicing

Bulbs can be changed without tools.

Wheel bearings need no maintenance.

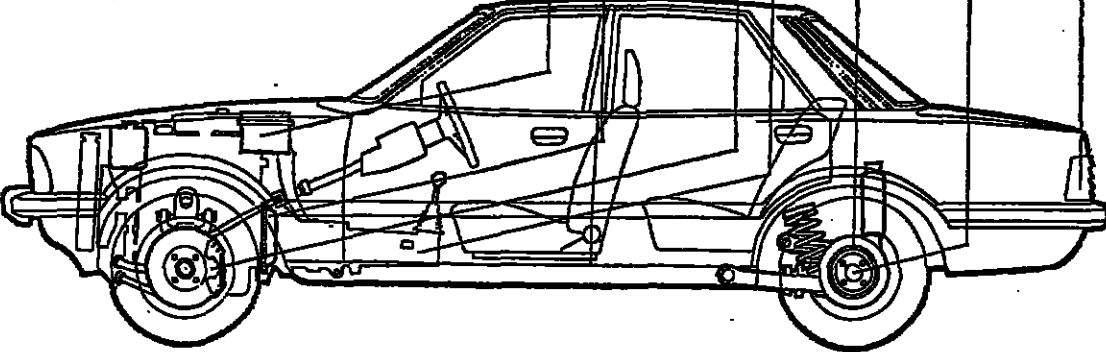
Brakes are self adjusting.

Axle and gear box oil doesn't need changing.

Brake wear can be checked without removing wheels.

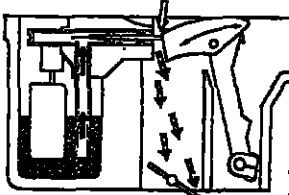
Clutch is self adjusting.

Check at a glance battery, brake fluid and windscreen washer bottle.



The Cortina only needs a full service once every 12,000 miles, with a minor service every 6,000 miles. Ford parts are moderately priced and the dealer network covers the country. How many cars of this size cost as little to keep on the road?

The economy carburettor

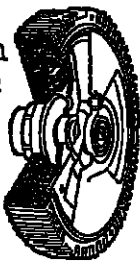


Ford have developed a new carburettor with a single variable venturi. In plain English, this automatically adjusts itself to provide the most economical fuel/air mixture whether you're stuck in traffic or cruising on the motorway.

The economy fan

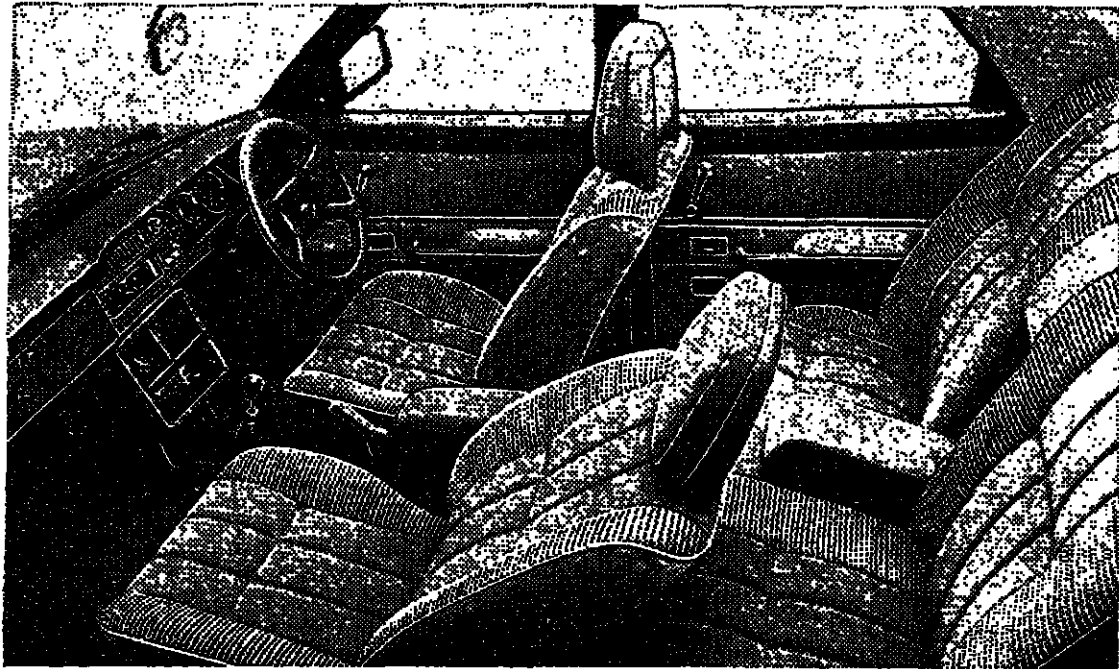
All Cortinas are fitted with viscous coupled fans. When the car is going fast and there is enough air to cool the radiator by itself, the fan disengages.

As a fan can consume as much as 5 horse power, this saves petrol and improves performance. The fan also helps the car warm-up faster in the morning, because it doesn't cut in until the engine is hot.



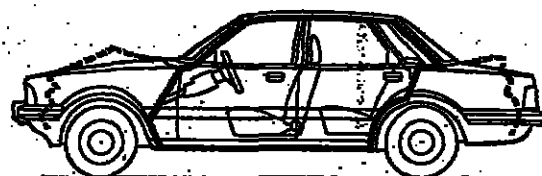
How many cars are this well equipped?

The specification of the Cortina Ghia includes: 1 Remote control door mirror. 2 Cut pile carpeting. 3 Rev. counter. 4 Cigar lighter. 5 3-speed heater fan. 6 Illuminated heater controls. 7 Two speed wipers with intermittent wipe and electric wash. 8 Centre console with radio/stereo, cassette and quartz clock. 9 See through head restraints with detachable cushions. 10 Durham/crushed velour seat fabric. 11 Front and rear seat arm rests. 12 Tinted glass. 13 Trip recorder.



Safety is built in

The Cortina protects you in a rigid steel cage, while the bonnet and boot are designed to crumple progressively and absorb the impact in the event of a collision.



Favourable terms

At last supply equals demand. So if you buy a new Cortina before the end of June, your Ford dealer is in a position to give you very favourable terms. Why not drop in and see him and get the full story.



FORD CORTINA



Range and prices. Cortina 1300 £3741. Cortina 1500 L £4080. Cortina 1600 LS £4137. Cortina 1600 GL £4932. Cortina 2000 GLS £5231. Cortina 1600 Ghia £5663. Cortina 2000 Ghia S £5902. Cortina 1500 Estate from £4530. The car illustrated is the Cortina Ghia. Maximum prices as at 2nd June, 1980. Seat belts, car tax and VAT included. Delivery and number plates at extra cost.

هكذا من الاول

ME NEWS

Teachers' conference
calls for action
to improve standards

Coddes
Correspondent
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s' warning on EEC transport policy

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Correspondent
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Outdoor schools plan
for young offenders

By John Witherow
Mr Charles, Secretary
of State for Education
and Science, gave cautious approval
yesterday to a scheme for send-
ing potentially disruptive
primary school children to
Outward Bound centres.
But the minister, while
admitting that juvenile crime
"was one of the major social
problems we face today", told
a conference in Birmingham he
was sceptical that prolonged
stays in such establishments
could help to stop the growth
in juvenile delinquency.

The meeting on the preven-
tion of juvenile crime, orga-
nized by the National Association
of Schoolmasters and
Union of Women Teachers, had
earlier recommended the
setting up of a working party
to explore the feasibility of
sending potential juvenile
criminals aged between eight
and 13 to privately financed
outdoor schools for three month
periods.

The idea would be to catch
children before they became
hardened offenders in school,
late them with pursuits such as
canoeing, climbing and camp-
ing.
"I certainly endorse the
spirit of your search for ways
to prevent the potential young
disruptive at an early age,"
Mr Cardale said. "But we
must beware of some of the pit-
falls of according special treat-
ment to the potential disruptive
and asking the question
whether it is possible to catch
them that young."
"I am not wholly convinced
that an extended period away

Police to pay driver's costs
after wrong prosecution

From Our Correspondent
York
The police were ordered at
York Magistrates Court yester-
day to pay a motorist's costs for
wrongly prosecuting him.
Anthony Horne, a factory
supervisor, had crashed his car
but although the police ques-
tioned him at his home within
40 minutes they charged him
with failing to report the acci-
dent. No other charges were
brought.
Mr Peter Gildener, for the
defence, said that the circum-
stances were so trivial that the
court's time should not be
wasted.
The bench dismissed the case
and awarded all the costs,
£98.75, against the police.
Mr Horne, aged 47, of St

Guests flee hotel

More than 350 guests were
evacuated from the Sheraton
Skyline Hotel, near Heathrow
airport, London, yesterday after
a fire started

Less crime
by children
but 'more
locked up'

By Lucy Hodges
Juvenile delinquency has
dropped in three out of the last
four years but more children
are being locked up than ever
before, a conference on young
offenders was told yesterday.

The gathering, which was or-
ganized by the Howard League
for Penal Reform and com-
prised magistrates, social
workers and probation officers,
was critical of both proposed
and past legislation.

Sir George Young, Parlia-
mentary Under-Secretary for
Health and Social Security, who
was present, was attacked for
the residential care order to
be introduced by the Govern-
ment shortly.

There were fears that that
would result in more children
being taken into care.

Professor Norman Tutt, of
Lancaster University said that
the present law, the Children
and Young Persons Act, 1969,
was born of 1960s liberalism
but had led to more young
people being put in prison
establishments than since the
passing of the Children Act,
1980.

He said: "In the face of
this dissatisfaction the Govern-
ment is putting forward pro-
posals which are no more than
'tinkering with the machine'
rather than looking at whether
the machine is able to work or
not."

Mr William Weston, chief pro-
bation officer of West York-
shire, called the Act, as imple-
mented, a failure. In 1968 12
per cent of boys aged 14 to 17
appearing before juvenile
courts were sent to borstals and
detention centres, against 6 per
cent 10 years previously.

from school would benefit the
younger child, Mark it could
even be a disturbing influ-
ence".
He accepted, however, that
there was a real difficulty with
children who disrupted lessons
in normal schools, but said that
many of the less troublesome
pupils could be better dealt
with in the classroom, with
short school trips away from
home.

Outlining the high cost of
keeping criminals in borstals
and prisons, Mr Cardale said
that prevention rather than
cure was both a cheaper and
more desirable solution. "If
you can catch the myopic you
are going to save a great many
problems for society at a later
stage", he added.

Some of the answers might
lie in reorganizing the school
curriculum to stimulate the
more imaginative and frustra-
ted child "to prevent him
drifting into delinquent and
antisocial behaviour".
The Minister believed that
juvenile delinquency could
not be stopped only in school.
It was also the responsibility
of parents to prevent their
children from turning to crime.

"To prevent antisocial be-
haviour is much more impor-
tant than dealing with
offences", he said. "Much of
the responsibility lies in the
breakdown of traditional in-
stitutions such as the family,
church and neighbourhood.
None the less, the national
picture is certainly not one of
despair. Most schools remain
orderly."

Police to pay driver's costs
after wrong prosecution

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24m saw 'J.R.' shot

The shooting of J.R. Ewing in
BBC 1's Dallas programme was
watched by 24 million people,
according to the BBC.



A mattress of willow shoots, brushwood and reeds being constructed for flood protection on the River Gipping, Ipswich. It will be sunk and pinned to prevent scouring of the river bed.

Commission favours easing curbs on divorce

By Marcel Berlins
Legal Correspondent

Restrictions on people start-
ing divorce proceedings within
three years of a marriage
should be relaxed, the Law
Commission says in a working
paper published yesterday.

The commission has not
reached a firm conclusion on
what the new rules should be,
and has asked for comment on
various options discussed in its
report.

At present petitions for
divorce within three years can
be brought only with the con-
sent of a judge, and only in
cases where there has been
"exceptional hardship" or "ex-
ceptional depravity" by the other spouse.
The Law Commission believes

there should be some restriction
on divorce in the early years of
marriage but says that the
existing rules are "incompatible
with the modern philosophy of
divorce". It also considers that
the three-year restriction is too
long.

The options discussed include
a total abolition of any time
rule, which if adopted would
theoretically allow divorce pro-
ceedings to be started the day
after the marriage. The commis-
sion opposes such a radical
reform.

Another possibility would be
to retain a time period—two
years is suggested—within
which divorce petitions would
not be allowed without consent
of a judge. The criteria would

be more flexible than the present
"exceptional hardship or
depravity". It would mean that
for an initial period, after
marriage, the "quickie" pro-
cedure, which is used in more
than 90 per cent of divorces,
would not be available.

A further possibility would
be a total bar on divorce within
one or two years of the mar-
riage, without allowing any
exceptions on any grounds.

The working paper sets out
the main arguments for and
against relaxing the present
law. The case against change
was based on the feeling that
making divorce even easier
would have a detrimental effect
on the stability of marriage,
and on the seriousness with

which people entered into it.

In favour of change was the
argument that if a marriage
had irretrievably broken down
there was no point in keeping
it artificially in existence and
preventing the parties from
putting their mistake behind
them. Moreover, the three-year
restriction merely delayed
divorce; there was no evidence
that it prevented it or had any
long-term effect on the divorce
rate.

The Law Commission, Working
Paper No 76, Time Restrictions
on Presentation of Divorce and
Nullity Petitions (Stationary
Office, £3.50).

A summary is available free from
the Law Commission, Conquest
House, 37/38 John Street, London,
WC1N 2BQ.

Ombudsman
seeks an
extension of
his powers

By Peter Hennessy

Mr Cecil Clothier, QC, the
Parliamentary Commissioner for
Administration and Health
Service Commissioner for Eng-
land, Wales and Scotland, com-
monly known as the "Ombuds-
man", will call tonight in a
television interview for greater
powers to be vested in his
office.

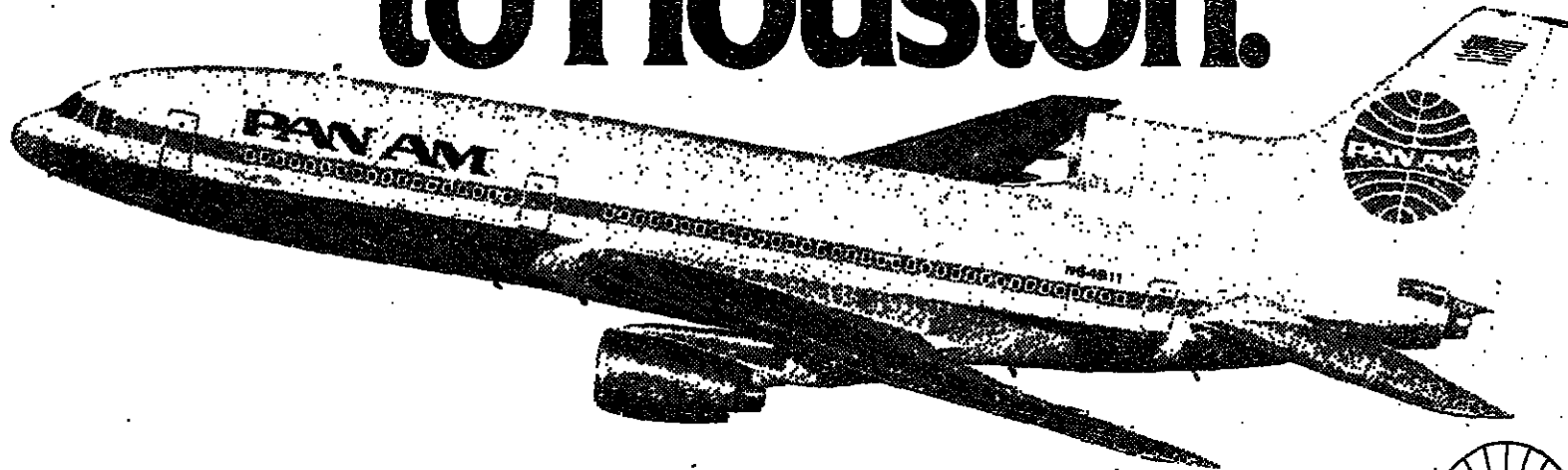
"I would like to be able to
investigate matters of my own
accord, without needing to be
prompted by a specific com-
plaint from a particular person
who says he has suffered an
injustice", Mr Clothier says on
the Granada Television pro-
gramme, *Public Office*.

The example he cites is that
of bogus doctors in the health
service. Mr Clothier was told of
a fake orthopaedic surgeon who
performed 29 operations. None
of his victims complained, as
they suffered no ill effects.

In discussing areas debarred
from his investigations, Mr
Clothier said he had never felt
the need to consult Cabinet
Office papers. But he did regret
that he could not take up cases
where small businessmen had
suffered by being organized as
government contractors. "A
very common example is that
of someone who has perhaps
done work for a government
department all his life; who has
perhaps organized his small
business around a contract with
a government department."

"Window cleaning, for
example, something quite
lowly, a modest service but one
upon which he largely depends
for his living, is suddenly taken
from him because he is re-
moved from the tendering list."
Mr Clothier agreed that
public expenditure cuts would
affect his work. Government
could be slower and less effi-
cient "in some ways" as a
result of economies. There
could be an increase in cases
where a department was not
guilty of maladministration but
had encountered difficulties
because of tightened resources.

"This is already happening."
The social security depart-
ment is being very heavily burdened
with the new legislation that
has just been passing through
Parliament.

Pan Am introduce
the earliest, fastest
non-stop flights
to Houston.

Starting July 2nd, Pan Am introduce
daily non-stop flights to Houston from
Gatwick.

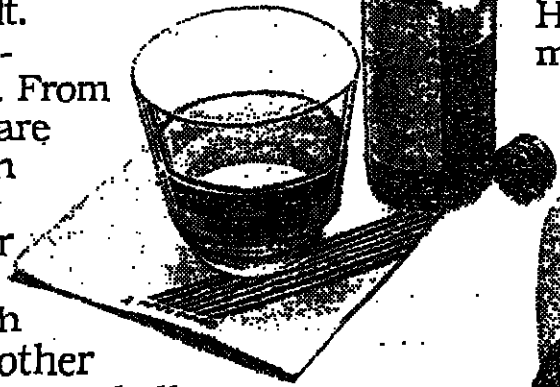
And they're pretty remarkable flights.
Because they leave earlier than any other
flight, at 11.10. And they fly faster, so you
arrive, conveniently, at 15.20. And the
planes are Lockheed TriStars with
Rolls-Royce engines: simply the most
technologically advanced wide-
body aircraft ever built.

They're very well-
connected flights, too. From
all over Britain there are
morning flights which
get you to Gatwick in
good time to catch our
TriStars. And from
Houston you can catch
connections to many other
cities, both within Texas and all over
the USA.

All the way to Houston you'll get all the
inflight features you'd expect from Pan Am.
Our luxurious First Class, with superb
international cuisine. Clipper® Class: our
special section created with the needs of the
international business traveller in mind. Or

low-cost Full Service Economy
Class, where you get incom-
parable Pan Am service with
drinks and inflight enter-
tainment available at a very
small extra charge.

Talk to your Travel
Agent now about our sum-
mer flights to Houston.
Because, with Pan Am,
Houston has never been
more open for business.



We fly the world
the way the world wants to fly.

WEST EUROPE

Seven hurt in Paris airport bomb explosion

From Ian Murray
Paris, June 12

Seven people were injured, two seriously, and about £100,000 worth of damage was caused by a 5lb bomb which blew up in a left luggage locker at Orly airport early today.

Responsibility for the blast was later claimed in an anonymous telephone call to a news agency on behalf of "The Direct Action Organization of March 27-28".

Those were the dates this year when French police rounded up 34 suspected terrorists, including several Italians, wanted in connexion with the murder of Signor Aldo Moro. Since then there have been a series of attacks and raids carried out on computers and property connected with transport in France.

M. Joel le Theude, the Minister of Transport, issued a statement after the Orly explosion saying: "Such attacks against public installations constructed for passengers are inadmissible. No justification can be given. Their cowardice has caused very sad consequences to innocent victims."

Apart from Orly the other attacks claimed by the group have been on computer offices in Toulouse used by the Ministry of Transport, on the ministry offices in Paris (with a baroque) and on the electricity cables serving the main line between Bordeaux and the Italian border.

The group made its first claim of an attack in France in May of last year and since then it has made about 15 others. One machine gun raid on the Ministry of Cooperation in Paris in March this year led police to make the arrests on March 27 and 28.

Of those arrested, 19 have been charged before the Court of State Security and it has been shown that there is a connexion between various urban guerrilla movements in Europe. M. Maurice Bouvier, director of the police squad which made the arrests, said at the time: "The group is the dismantlement of the direct action network. The militants arrested and the arms seized are not the only ones in circulation."

Police hunting the group are in difficulties because its members tend to be dissident intellectuals whose organizations in no way corresponds to those of traditional criminals and whose loyalties are equally different.

The many attacks against the Ministry of Transport property led to one theory that the raids were being carried out by angry motorists.

The bomb at Orly is the first to have caused serious personal injury. All those hurt were immigrant workers employed as cleaners.

20-year sentence sought in Dutch war crimes trial

From Robert Schull
Amsterdam, June 12

The public prosecutor today asked a Rotterdam court to impose a 20-year prison sentence on Pieter Nicolaas Menten, the 81-year-old Dutch millionaire and art collector accused of wartime mass executions of Jews and other Polish nationals.

Mr Menten is on trial for the second time. In December, 1977, an Amsterdam court found him guilty of mass murder and sentenced him to 15 years in prison, but the Supreme Court quashed the ruling.

The prosecutor also asked today for a fine of 100,000 guilders (about £22,500) to "strike symbolically at Mr Menten's fortune", much of which he said to have acquired during the war.

According to the prosecutor there could be no doubt that Mr Menten was involved on July 7, 1941, in the execution of between 20 and 30 Polish nationals, mainly Jews, in the small village of Podgorodzy, which at the time was in German-occupied Poland and is now part of the Ukraine.

There could be no question of confusion between Mr Menten and his brother Dirk. The prosecutor said it was "highly curious" that Mr Menten had suddenly come out last month with the accusation that his brother was responsible for the mass murders of three-and-a-half years after his first trial started.

"We know that the Einsatz Kommando of Dr Schöngarth, to which Mr Menten was seconded, murdered 6,000 people in July and August, 1941. If a Menten was present at the execution on July 7 then that Menten was Pieter Nicolaas", he told the court.

Authorities estimate that one-third of the 68 blazes in rural areas of Seville and Cadiz since May 1 were started on purpose, possibly in an attempt to put pressure on landowners to hire more farm labourers.

Señor Luis Fernández, the Seville governor, called the instigators "professionals of subversion" and he referred to the SOC as "an irresponsible minority union".

Both the blazes and the news of expropriation procedures come at a time of increasing unemployment among migrant farm workers in Andalusia and Extremadura. The SOC puts much of the blame on the increasing mechanization of farming causing a reduction of the need for labour. The same union tried last year to force owners to hire more workers



Herr Schmidt and Mrs Thatcher arrive for the Venice summit.

Power strike disrupts France

From Our Own Correspondent
Paris, June 12

The fifth and worst strike by electricity supply workers in France in less than a month today cut power by 40 per cent, disrupted industry all over the country and shut off supplies to several hospitals.

An angry M. Raymond Barre, the Prime Minister, left Paris for Lyons tonight but threatened before he went to see that sanctions would be imposed on those who had been responsible for such "inadmissible behaviour".

Today's strike was called by the Communist CGT and the Socialist CFTD union organizations in protest at the government's intention to bring in a law which would make workers in nuclear power plants liable for instant dismissal should they by any action endanger the safety of the equipment, the personnel or the nuclear materials.

West deliberately returning to cold war, says Russia

From Alan McGregor
Geneva, June 12

When the United Nations disarmament committee met today the Soviet delegation, Mr Viktor Issraelian accused the West of "an intentional slipping back to the cold war, a policy of anti-detente".

Regretting "the increase in the threat of war", he criticized the recent instances of unintentional false alarms about nuclear attacks in America.

He referred also the large number of meetings in the West—"and not only in the West"—of directors of military departments, all extensively reported in the media, together

with statements on chemical weapons and training in these weapons.

Such circumstances posed the question whether it was advisable for the committee simply to suspend its work. But the Soviet view was that, on the contrary, they must increase efforts aimed at eliminating evolving international complications and at strengthening peace.

In the hope of providing "a common working basis" the Canadian delegate, Mr Donald McPhail, offered a series of arms control verification proposals, developed by his country's National Defence Department. Verification has been the main stumbling block in 20 years of disarmament negotiations.

Move to reopen Cossiga investigation

From John Earle
Rome, June 12

Opposition parties began to collect signatures of Italian MPs today to reopen proceedings that could lead to the impeachment of Signor Francesco Cossiga, the Prime Minister, for allegedly aiding the flight of a presumed terrorist.

The unions claim this is merely an attempt to deprive them of the right to strike, an impression aggravated yesterday when the Employers Federation refused to meet them as arranged to discuss a shorter working week on the grounds that previous strikes had disrupted industry.

This tough action may have been in part at least responsible for today's strike receiving far wider support than any of the previous ones. The drops in power were so great after 8 am that it was soon obvious that a large part of French industry would be brought to a standstill.

In some instances the "Red Cross" priority circuit, which ensures essential services to places like hospitals, was cut. According to the unions there was always sufficient power to ensure supplies to these circuits, and it had been a deliberate policy by management to cut off one or two of

Louvre experts find relics of the Pharaohs

From Our Own Correspondent
Paris, June 12

Egyptologists from the Louvre have re-opened a dig in Upper Egypt, 25 miles south of Luxor, after a gap of 40 years. Work went on there over the past two months and among the finds has been a mace similar to one depicted being held by a Pharaoh on a bas-relief at the Luxor temple.

Other finds from the days of the Pharaohs have included letters and inscriptions relating to the cult of Mentu, the bull-headed god whose task was supposed to be to look after the cosmic order, and the Earth's movement through the heavens. The archaeologists also found some fine examples of Coptic ceramics as well as the ovens and remains of a large ceramic workshop.

ing, as it did by a narrow majority, that there was no case against the Prime Minister.

The issue was whether Signor Cossiga was a fellow Christian Democrat leader, that his son was wanted as a terrorist.

Under parliamentary procedure an investigation concerning a Minister can be reopened if a third of the members of both houses request it.

The Communists and other opposition parties were numerous enough to get enough signatures within the specified five days.

In Turin magistrates have confirmed that Marco Donat Cattin is one of four alleged members of the Prima Linea (Front Line) organization, against whom arrest warrants have been issued in connexion with the murder of Signor Emilio Alessandrini, a magistrate specializing in terrorist cases, who was killed in Milan in January last year.

The independent Madrid daily El Pais reported today that 87 properties are on a list drawn up by the Agriculture Ministry for possible expropriation under a 1979 law which gives the state the power to act in the case of "manifestly improvable" lands.

The holdings cover a total of about 35,000 acres, the largest single estate covers about 5,500 acres in the province of Seville. Among affected land owners are prominent members of the nobility.

them to discredit their members.

M. Barre, however, was in no doubt this afternoon who was for the fifth time in a month to blame.

In taking the responsibility plunge the country into disorder, to seriously interfere with millions of consumers, to interrupt the normal economic activity of business at a moment when the country must produce and export to pay a growing oil bill, the unions which decided on and applied the cuts have betrayed the public service with which they have been entrusted," he said.

Young American men will register for conscription

From David Cross
Washington, June 12

President Carter today secured full congressional approval for his plan to register young men for military conscription. The scheme is part of the Administration's overall campaign to improve America's military readiness since the Soviet occupation of Afghanistan.

At the end of its longest continuous debate since 1977, the Senate passed the bill by a margin of 56 to 34 to introduce the draft registration scheme.

The new legislation, which cleared the House of Representatives in April by the much narrower vote of 219 to 180, will provide \$15m for the registration of 19 and 20 year-old men. Potential conscripts will be asked to go to their local post offices, probably late this summer, to fill out registration forms so that they can be called up in any future emergency conscription scheme, which was first suggested by President Carter in his State of the Union address five months ago, was applauded by most members of Congress in the Senate.

But opposition of the Soviet invasion of Afghanistan, increased as time passed.

OVERSEAS

Hundreds injured in Tehran fighting

From Tony Alloway
Tehran, June 12

Rival Muslim groups fought outside the occupied United States Embassy today in the worst violence in the city in two months.

Hundreds of injuries were reported as the groups threw stones at each other. For four hours gunfire shattered Tehran's usual afternoon calm as Revolutionary Guards, some protecting the embassy, fired into the air to intimidate the rioters and used tear gas.

As I left the scene in mid-evening thousands of supporters of the radical Islamic guerrilla group, the Mujahidin Khalq, and their opponents, who claim allegiance to the fundamentalist Party of God, were still confronting each other, blocking two of the streets running past the embassy wall.

Between them revolutionary guards, some wearing gas masks, fired volleys into the air to keep them apart. Most of the injuries seemed to have been caused by stoning.

But an Iranian photographer appeared to have been hit by a stray bullet. Three men carried him precariously from his rooftop vantage point.

The violence was started by a rally of thousands of Mujahidin supporters in a stadium across the road from the embassy. The Americans had planned to use it as a strategic point in Ayatollah Khomeini's abortive hostage rescue attempt.

The chief speaker at the meeting was the Mujahidin leader, Mr Massoud Rajavi, who complained about the Government's failure to stop repeated attacks on the organization.

A Mujahidin sympathizer was killed earlier this week when revolutionary guards attacked the offices of an affiliated student group in south Tehran.

The Mujahidin and other groups last week claimed that there had been a plot to assassinate Mr Rajavi and hinted that the Islamic Republican Party (IRP) was behind the plots. The IRP openly reviles the Mujahidin as being against Islam and claims that the leaders are Soviet agents.

The constant heavy firing, and clouds of smoke that swirled over the stadium from fires lit to ward off the effect of tear gas, provided a violent backdrop to Mr Rajavi's speech.

"Let the bullets rain at us", he said. "It won't stop us from the struggle." Outside, the Party of God supporters, who could hear the speech on loudspeakers, shouted "Death to Rajavi".

In interrupting the normal working of several hospitals they have committed a serious act against the safety of the individual.

Thais ready to evict Kampuchean refugees

From David Watts
Singapore, June 12

Thailand is preparing to move large numbers of refugees across the border to the new so-called voluntary repatriation scheme scheduled to start on Saturday. The Thai Government today gave the go-ahead for the programme to begin.

According to relief agency officials, though the repatriation scheme is billed as voluntary, there are indications that it will be so such thing.

Such a programme was forecast by The Times last week, and agency sources now confirm that the Thai Government is despatching the outside world taking the refugee problem seriously and concerned at the new influx of refugees expected over the next few months, are to take drastic action to solve the problem themselves.

It is thought that the timing of the operation may have been partly dictated by the need to bring the problem to the attention of world leaders as they gather for the Venice summit meeting.

The Thai Government has used such an occasion before to illustrate its problems. It launched an earlier effort to bring the refugees before the Tokyo economic summit last year.

Japanese business leaders fear death of Mr Ohira will lead to political and economic instability

From Peter Hazelhurst
Tokyo, June 12

Japan's democratic political system provided the country with a peaceful transition of power today shortly after Mr Masayoshi Ohira, the Prime Minister, died suddenly of a heart attack in a Tokyo hospital this morning.

Mr Ohira's sudden death in the middle of a crucial election campaign, heralded an era of political and economic instability in the world's second largest industrialized power, business leaders fear.

According to provisions of the Constitution the whole Cabinet resigned this evening and Mr Masayoshi Ito the Chief Cabinet Secretary was installed as acting Prime Minister. Mr Ito and outgoing members of the Cabinet will form a caretaker Government until Parliament selects a new Prime Minister after a General Election on June 22.

After an emergency meeting of the Cabinet, Mr Ito announced that three members of the caretaker Government will fly to Europe later this month to represent Japan at the summit meeting of industrialized nations in Venice in Sunday week.

They are Mr Saburo Okita, the Foreign Minister, Mr

Noboru Takeshita, the Finance Minister, and Mr Yoshitake Sasaki, Minister for International Trade and Industry.

The Foreign Minister announced that Japan's American and European allies have been informed that Mr Ohira will lead the Japanese delegation. "Mr Ohira's death will not change Japanese foreign policy", a spokesman for the Government said.

Flags were at half mast on government buildings, but there were no other signs of national mourning today as the nation of 114 million people reacted calmly to the news of the sudden death of Mr Ohira, Japan's first postwar Prime Minister to die in office.

Mr Ohira, a Christian, died at the age of 70 in Tokyo at 5.54 am today, just 10 days after he was admitted to the Toranomon hospital to be treated for a "mild heart condition".

Mr Ohira's body, covered with a black drape and a white cross, was transferred to his home in Senjaya ward in Tokyo this morning. Within hours a long line of neighbours, party colleagues and diplomats, including Sir Michael Wilford, the British Ambassador, filed into the house to pay their respects.

Mr Ohira is to be buried at a family funeral on Saturday. An official state funeral will be held after the election.

There can be little doubt that Mr Ohira's sudden death plunged the ruling Democratic Party into turmoil in the midst of election campaigns to Houses of Parliament.

Political scientists already predicted a ruling conservative, factional rivalries, retain their narrow margin of 511 seats in the Lower House after the And Mr Ohira, expected to intensify a for leadership within the

The three strongest contenders for the Prime's office are Mr Yasuhiro Sone, aged 61, the hawkish former secretary of the party, Mr Toshio Iwano, aged 61, a shrewd leader and a former of International Trade

dustry, and Mr Kiichi Sato, aged 59, an ex-internationalist and a Foreign Minister.

The outgoing finance minister, Mr Noboru Takeshita, a former Chief Secretary of the Cabinet, Mr Shintaro also been named Japanese press

Boy's kidnapping stuns the people of Israel

From Christopher Walker
Jerusalem, June 12

The recent abduction of an eight-year-old Jewish boy has had a traumatic effect on a society which was founded on idealism and has not yet come to terms with the rapid growth of violent and organized crime in its midst.

The kidnapping comes when there is an upsurge of both Arab and Jewish terrorism inside Israel, an increase in armed robberies, and disturbing evidence of highly organized protection rackets in the big resort towns.

The kidnapping took place on Sunday when Oron Yarden, the son of a company director, was seized near his home on Tel Aviv. Almost totally inexperienced in kidnapping cases, the Israeli police bungled an operation in which the gang escaped with a \$20,000 ransom without returning the boy.

The enormity of national unease was expressed today as the massive hunt for the missing schoolboy continued.

Mr Menachem Begin, the Prime Minister, telephoned the boy's distraught mother and pledged that Israeli troops

would be drafted into assist with the search, while rabbis throughout the country took the unusual step of calling for national prayers for Oron's safety.

The manhunt was called off for six hours tonight to enable the kidnappers to free the boy without risking arrest.

The shocked reaction of most Israelis to the kidnapping was summed up by a woman neighbour of the Yarden family who told the state-controlled radio: "Everyone here is stunned, horrified and afraid that something like this could happen in Israel."

Hebrew newspapers of all political colours devoted strongly worded editorials to the kidnapping and its implications. All shared a common theme—grave concern at what was increasingly described as a symptom of the mounting violence in Israel's society.

One left-wing newspaper pointed to the recent decline in respect for the law and commented: "The gradual solution is not organizational nor budgetary. It depends on the renewal of values and morality at every level of our society."

Referring to reports Mugabe's Government oddish with Mrs Thatcher's Government over promises of financial aid, Mr Smith said: "The British Government could have done much to help the people of Zimbabwe."

They talked us arrangement and told would have no word commitment. This (United Kingdom) was going to much of this prop money to our country would have all the wanted, and now this going quite the way anticipated," he said.

Peking sentences football fans for rowdiness

From David Bonavia
Peking, June 12

Fourteen young Chinese men have been sentenced to up to ten days detention for hooliganism during matches played here last month between Chinese football teams and the visiting Norwich City side.

The Public Security Bureau (police) announced that about 50 people had been arrested for jostling and throwing bricks, cigarettes and other broken glass at the players. The sentences included fines and "re-education" measures.

Some spectators were said to have abused the referee, bawled and spat at players, and let off firecrackers.

Catholic bishop freed in China

Peking, June 12—Bishop Deng Yingying of Canton, better known as Mgr Dominic Tang, has been released from jail more than 22 years after his arrest on charges of "counter-revolutionary activity".

Canton's Yangcheng Evening News said the bishop, who has been released from jail more than 22 years after his arrest on charges of "counter-revolutionary activity".

Mgr Tang, who has been released from jail more than 22 years after his arrest on charges of "counter-revolutionary activity".

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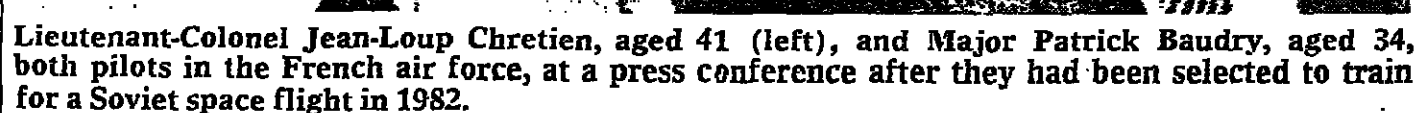
ERSEAS



Observers recalled a foreign policy statement made by Mr Reagan in January, recommending "a mor concrete basis for the continuation of Government-to-Government relations between the United States and Taiwan".

The agent v said these people had made themselves the advocates of "the most absurd type of 'even-handed' approach in Washington's relations with Moscow and Peking."

"But this tight-rope walking which is possible only as a brief mor work as a long-term foreign policy," NCNA said.—Agence France-Presse.



Turkey protested, but the Greek leaders said that this would be the standard practice of the Greek navy when entering the Aegean. The new causes much anxiety here is an implied Turkish threat of retaliation.

For the current Turkish exercise, which will last until September 15, the Greek navy is expected to use the island at the same time as the Greeks planned exercises using the island.

Pravda urged "ruling circles" in West Germany to show "the political will necessary to defend peace and security and prevent a dangerous twist in the arms race". It said: "Movement forwards towards military détente in Europe is an objective and material necessity."

has a population of which 600,000 are Muslims. The number of settlers is not known. Singh, the Minister Interior, flew to the state capital, Ananda Marga.

The Interior Ministry report said the Tripura disturbances were sparked off by similar events in the neighbouring state of Assam, where for nine months native Assamese have been demanding the deportation of several million immigrants who arrived from Bangladesh and Nepal since 1947. —Agence France-Presse.

Manila, June 12.—An Opposition leader described the Philippines as a "veritable concentration camp" in a speech due to be delivered in the city today as the country celebrated its eighty-second Independence Day anniversary.

Mr Salvador Laurel, a former senator, calls on people to rise against martial rule.

The Laurel family, a political family from Batangas province in southern Luzon, led the recent move linking six opposition parties into an overall umbrella opposition group with the objective of toppling President Marcos.

Meanwhile a huge crowd watched President Marcos celebrate Independence Day in Manila.—Agence France Presse.

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Russians rely on West for news, report says

Rebel seek

Yugoslav academics urge amnesty for verbal critics

asylum aft

Unesco fear for life of jailed diplomat

The matter is now to be brought up before the next general conference of the organization, due in Belgrade from next September.

Football

England suffer more from stoppage

Allen signs for Arsenal and



was there to shoot firmly past
Clemence.
His confidence on the terrace
seemed to begin when the Italian
cheered the Belgium goal but
what he really wanted was to
see if himself was badly affected by
the five-minute delay. England
retained the upper hand but
Johnson and the other players
had opportunities and the Belgium
defenders keeping a firm grip on
the ball. Johnson was not
at all sure whether another
opportunity would arise.

In an attempt to gain a more
positive picture of the situation
after the attack on the terrace
off Johnson after 68 minutes
asked the referee to allow him
to go to the toilet.
Without doubt, England needed
something out of the ordinary to
take the victory they badly needed
but Johnson was not a very
half, they rarely looked anything
but functional. The promise of
parts of the first half between
Johnson and the Belgium
man and the West German referee
deprived England of a good looking
game. The situation became
distinctly uneasy.

Allen signs for Arsenal and joins £1m club

Accompanied by his father Les, a member of the 1960-61 Tottenham Double team Allen met the Arsenal manager Terry Neill at Highbury and within minutes of arriving at the north London club's ground he was given a thorough medical. Arsenal, beaten last season in the finals of both the FA and European Cup Winners' Cups, have long been interested in signing a quality striker to take some of the burden off Sunderland and

Penalty gives Netherlands their victory

Earlier, in the Rome Olympic stadium, West Germany also got off to a winning start in the competition when they beat the defending champions Czechoslovakia, by the same margin. In Naples the sparse crowd of 20,000 spectators in the massive 85,000 capacity stadium cheered on the gallant Greeks who quickly showed that the arrival in the finals at

stepped up and made no mistake with the kick. From that moment on the game seemed to favour the Dutch, but in the 89th minute of the game the Greek's very nearly stole an equalizer. Doesburg brought on for Schrijvers after a quarter-of-an-hour after the veteran goalkeeper had to leave the field after injuring an eye produced a magnificent save.

the expense of the Soviet Union and Hungary was no fluke. After surviving a difficult opening 10 minutes, the Greeks settled down well and superbly marshalled by Kapsis and Firos in defence, they broke the back of the Dutch attacks. And it was by no means one-sided. The Greek forwards, with Navros and Kostikos combining well, carved useful openings and

The Dutch manager, Jan Zwartkrans, admitted after his team's victory over the Greeks that his side had not played well. He shrugged off criticism of over-rough tackling by the Dutch defenders and said that the real culprits of rough play were the Greeks.

"My team had a bad match. They can play so much better. I think we were surprised by the

Yugoslav academics urge amnesty for verbal critics

asylum aft

Polish dissident publisher on trial for theft

ents of the Government as common criminals. Miroslaw Chojewski, aged 33, is a key figure in the Nowa publishing house which produces books and pamphlets not normally made available by the authorities. He was on trial with three other people.

After signing, Allen said: "A move like this is a one off. It only happens once in your life. There was no real doubt in my mind but I wanted to figure things out before saying yes. I only heard Arsenal were interested yesterday

Allen went on: "I won't be bothered by the million pounds tag. My ambition is to play in the first division and score goals there." Mr Neill said: "We don't do things lightly here. Our supporters deserve the best and that is what I believe we have given them by buying Clive."

Belgium, but he is understood to be keen on a move to Spain.

Barcelona's name has been linked with several leading players recently, including England's European footballer of the year, Kevin Keegan, and the gifted Argentina player, Diego Maradona.

National team players not expatriate, so as no the team preparator World Cup in Spain. told Italian reporter Maradona has received offers from both Juventus of Turin

Luis Cesar Menotti, the manager who coached Argentina to a World Cup triumph in 1978, said that Maradona will be dropped from the national team for 1982 World championships if he transfers to Europe.

"Maradona is in the list of

Asylum after Paraguay manhunt

The following day, a force of about 5,000 soldiers, police and volunteers organized a series of military raids from a hastily set up base at the Coca-Cola bottling plant at Caaguazú. The campesinos are thought to have taken refuge with a local family called Flores. In

Church leaders secured the release of the others, but Senior Centurion was held for 150 days. He was released after the seizure of their lands.

Amnesty International fears that were the Paraguayans to bring pressure to bear, the Panamanians might be forced into handing Señor Centurion over to face criminal charges, which, they say, could only mean detention in the *Investigaciones*, with torture a certainty.

Horse Show
Music in Smith's ears as
he finishes first and third

Six horses went clear over Alan Oliver's course and John Brown, one to whose native heath the scene shifts next week at the

Motor rallying
Unique double within
Mrs. Wilson's compass

self in both single seater and long distance racing and is not overawed by the thought of becoming the first woman to triumph in the world famous endurance test.

"I am obviously well aware that driving in endurance races is not the same as blasting flat out round a track for an hour or so in a Formula One event", she

Rugby Union

Nothing secret about Lions as they prepare for Test

The Springboks want to watch video tapes of the first international. Cape Town was by

Mr. Miller is on record as saying that the Lions are perfectly satisfied with Mr. Palmade's interpretations; that laws are laws and there should be no room for misunderstandings. Mr. Miller also believes that if any such meeting had been necessary, it should have taken place before the first international.

Any meeting between the Springboks and Mr Palmeade would take place tomorrow but Mr Miller's decision not to attend leaves the French man in an embarrassing position and might tilt the balance of the match.

in several unsatisfactory manner in which severe opposing teams in the fixtures have been strong "outsides"; the poor of refereeing by some African officials; and the manner in which local reception are continually about the Lions tour has South Africa's isolation.

E ARTS

on Sinfonietta
Maltings

in Mann

blisher's concert has
annual event at the
Festival for more
ecade, obviously a shop-
for the latest wares,
the programmes usually
to include something
familiar or entertaining.
music publisher knew
On Wednesday it fell
Music, now 15 years
the creation of Ben-
ritten, as an extension
ready respected Faber

Aldeburgh concert
able to include works
an, oboe pieces dating
mid-1930s, mysteriously
and now restored to
Two short insect
spectively portray the
per and the wasp, the
th surprisingly bawdy
the former with
diversity of mood, in-
musical arrival at a
major chord, curiously
atic. Britten's *Tem-
rations*, also for oboe
so, are so substantial
it, though designed as
anecdotal pieces, in-
ar of the immediately
it *Bridge Variations*,
r withdrawal was an
mistake. They are
clever, the classic
of material spun out
to least a half-hour of
the genre titles come
of poetry than they
Oboists will pounce
on them, though Janet
with her pianist Ian
has set an exalted
for future interpreters.
sic catalogue of Faber
races a good clutch
talented composers,
represented here,
that would gladden
heart. Colin Matthews,
ing Quartet impressed
Saturday, had set a
Tchaikovsky for voice
(unfashionable part-
ways) to honour
re's approaching birth-
Peter was there to
with Stuart Bedford
t, nobly felt music
Brilliant in key-
out. One antipode of
amine seemed to be
Harvey's *Concelebra-
olema* piece of free
which sometimes
four players, who
ble on percussion, to
it of near-union, by
rhythm, climaxes
le up for long-winded
here.

er was Oliver Knust-
t group of *Ophelia*
chly emotional, bold
elation or in numb,
study, thematically
the *Sphinxes*
chumann's *Carnaval*
and *Ophelia* was said
sides of old music),
textured textures vividly
ly defined. An Octet
very young George
was obviously crafted
ngly, and emotionally
after the fashion of
Stravinsky, impres-
tant coercive.
y composers had the
to project their pre-
and several com-
own works. Others
rebut, but I miss a
risk-taking, young
oice.

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cial
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acts

A new approach to an old-time melodrama

Hurricane (AA)
Classic Haymarket

Skip Tracer (AA)
Paris Pullman

Friday the 13th (X)
Warner: ABC
Shaftesbury Avenue;
Studio, Oxford Circus

Hurricane is the sort of film—
an old-fashioned, 12 million
dollar remake—which is not
considered very chic to like;
but its total, all-out commit-
ment to romance and melo-
drama seems to me quite ad-
mirable. Apart from this it makes
an interesting, and not at all
discreditable, comparison with
John Ford's original version of
the novel by Charles Nordhoff
and James Norman Hall, who
were also the authors of
Mating on Bounty.

Both versions mark the tail-
end of cycles of disaster
movies. Before creating the
grand finale of *Hurricane* the
great special effects man
James Basevi had burned down
the city in *In Old Chicago* and
created an earthquake in *San
Francisco*, a typhoon in *Suez*
and a locust swarm in *The
Good Earth*. Both films,
equally, seem to respond to a
current yearning for escapism,
whether the escape be to dif-
ferent worlds or periods or
climates. The South Seas in the
1920s serve this purpose admir-
ably.

Ford's Pacific island was
under the control of French
imperialism; in Jan Troell's
new version, Pago Pago is gov-
erned with no less firm a hand
by the United States Navy. The
essential story remains the
same: the governor, rigidly
adhering to the letter of the
law, imprisons the young
native hero, so separating him
from his lover. The young man
repeatedly makes his escape—
on the last occasion killing a
guard. He is finally delivered
from his imperialist oppressor
by the gods of the place: the
island is destroyed by a great
hurricane.

The script of the new version,
by Lorenzo Semple Jr., intro-
duces complexities that the
censorship of the time denied to
Ford's writers. Dudley Nichols
and Oliver H. P. Garrett. The
1937 version had the native
boy safely in love with a
naïve girl. Now, miscegen-
ation is introduced: the
white girl who falls in love
with the beautiful black hero
is, moreover, the governor's
daughter.

Henry derives the most cru-
cial departure from the origi-
nal version. In that the gover-

Andrew Wyeth
Royal Academy

Milton Avery
Waddington Galleries

John Russell Taylor

Andrew Wyeth is a puzzle-
ment. It has never been easy in
a certain line of American realis-
tic art to distinguish surely be-
tween the painter proper and the
adept, illustrator. Wyeth,
descending by blood as well as
aesthetic heritage from the
Brandywine tradition, would be
likely to share something of both
the fine art and the craft
sides of his family background,
and in the days when his kind
of meticulous, microscopic
realism was desperately un-
fashionable, surviving only in
the pages of glossy American
magazines, it was easy enough
to sneer at *Christina's World*
(1948) and suggest that with
his elaborate "programme"—
Christine is not a renegeer with
spring fever, but a middle-aged
polio victim—it might best be
consigned to *Cosmopolitan* or
Mademoiselle, where it could
very well have found a more
sensitive, sensuous tale of the Mid-
West.

Of course now, in the heyday
of surrealism, it is not easy
to be categorical. Suddenly
Wyeth has come to seem very
modern and vigorous. And there
is no denying his extraordinary
skill in doing what he does,
numbering the grains of sand
by the sea or the hairs on a
human head. His paintings of
weatherboarded houses and



Love in a storm: Mia Farrow and Dayton Kaine with Governor Roberts

nor (Raymond Massey) was a
man who subjugated his pri-
vate emotions to his principles
and the enforcement of the
law. Now the governor subju-
gates the law and contorts his
principles to the dictates of his
emotions, centred on his jeal-
ousy and ferocious resentment
at the attachment of the native
and his daughter.

The, surprisingly subtle
moral debates of the Ford ver-
sion are now superseded by a
much broader melodrama of
the passions, which invites one
of Jason Robards's hammy
performances as the governor,
and does not over-extend the

newly washed New England
churchyards, bare scrubbed
rustic interiors and lichened
roofs and stones, are perfectly
admirable; it is hard to see
how they could be better done.
And yet there is still something
just that little bit awry. The
portraits are at best (*The
German*) flashy but superficial;
others are unmistakably senti-
mentalized. Many of his
animals too are sentimental-
ized; his dogs should be on
the cover of the best-selling
paperback edition of some
affecting tale of animal sage-
city and heroism, his wolves in
a Disney storybook. It is good
to have such an extensive show-
ing of the artist over here,
so that we can judge his un-
changing art (worryingly un-
changed over nearly 40 years of
the same). But I suspect he will
be recognized as an artist who,
whatever his reputation in his
native land, does not travel
well.

Milton Avery is a very dif-
ferent matter. His painting is
as easy to take as Wyeth's but,
where with Wyeth one is con-
scious primarily of all the effort
which has gone into it, with
Avery one is captivated by the
sheer joyous ease of it all. No
doubt Avery, like a painter with
whom he has many tempera-
mental and stylistic affinities,
Henri Hayden, did all the neces-
sary brainwork first, but his
brilliantly coloured landscapes
managed to feel like instanta-
neous sketches dashed on to
canvas for the sheer delight
of it. So much of art divides
into 1066 and *All That's
Cavalier/Roundhead* dichotomy
(wrong-but-romantic and right-
but-repulsive); Avery and
Wyeth, so near and yet so far,
do not make the choice any
simpler.

Book review

Perplexing yet sympathetic

Balfour
By Max Egmont

(Collins, £12.95)
It is not surprising that a man
who has written so much of the
pastor's career, his Premiership
had its admirable aspects, but
politically catastrophic conse-
quences. It is indeed difficult
to summon any enthusiasm for
dearly. As a contemporary, it is
difficult not to regard him with
sympathy and respect. But, as
a politician—which was, after
all, his lifelong adult profes-
sion—there remains an over-
whelming impression of com-
plex, guile, and personal oppor-
tunism, combined with a
lamentably limited understand-
ing of, or interest in, the
conditions of life of the vast
majority of his fellow-citizens.
Many of his contemporaries
were rightly impressed by his
intellect, his elegance, his
laughed charm, and his polit-
ical toughness, but those who
were more struck by the nega-
tive aspects have perhaps been
right.

Lord Egmont's book is not
one that will greatly attract
historians, but for those who
wish an introduction to this
perplexing yet oddly sym-
pathetic personality it is admi-
rable, and the fact that the
biographer has not unravelled
the many mysteries of his sub-
ject simply emphasizes the
supreme difficulty of his task.

Robert Rhodes James

Choice of items was equally
unexciting. Miss Keith's 1924
Baedeker extract was charming,
but not actually funny (and
charming in a wholly Anglo-
German way, not to the manner
born) in the better patronising
Muriel Spark piece about a
working-class chat showed little
improvement; Bennett has done
his synthetic memoir of Beren-
son better before and Strich,
after performing the very un-
distinguished first song of her
career, never seemed quite on
top of it. Dorothy Parker mon-
ologue. Miss Keith was at her
best with Stephen Spender's
account of Ethel Smyth pulling
on a birdcage before going in
to dine with Leonard and
Virginia Woolf. Bennett with an
inventory of items of a mandle-
piece which approached the
memorably bitter pathos of his
recent plays for LWT, and
Strich finally hit her stride—
which is pretty strident—with
the classic "Useful Phrases"
from *Sail Away*. This is a re-
by right in perpetuity. Not,
however, on this occasion where
the lines were shared among
the team, thus destroying com-
pletely the superb comic shape
she gives it. No, it was not
much fun.

conspicuously unsatisfactory.
Balfour's Irish policy is
described by Lord Egmont as
"unencumbered by remorse
or doubt", a felicitous phrase
that has a much wider appli-
cation to the whole of Bal-
four's career. His Premiership
had its admirable aspects, but
politically catastrophic conse-
quences. It is indeed difficult
to summon any enthusiasm for
dearly. As a contemporary, it is
difficult not to regard him with
sympathy and respect. But, as
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rable, and the fact that the
biographer has not unravelled
the many mysteries of his sub-
ject simply emphasizes the
supreme difficulty of his task.

Robert Rhodes James

Mystery Plays

York

Ned Chaillet

Half an hour of the words
will soon be gone and
the more adept movement
of the actors will have knocked
off another 15 to 25 minutes. I can
tell you that *The Temptation
of Christ*, which I saw, will be
gone from the events. That will
hardly set the performance, or
be any prediction of what you
will see in four years if you
wait to travel to York during
the next revival of the York
cycle of Mystery Plays. It may
give you some idea of what you
will see if you hasten to the
ruins of the abbey of St Mary
for this year's York Festival.

There is a professional director,
Patrick Garland, and he
has brought certain professional
standards and glossy ideas to
the production. He has brought
only one professional actor,
however, Christopher Timothy,
who weighs in as Christ, and so
there is much of the fourteenth-
century tradition of amateur
performance.

One thing that is resolutely
modern is the fixed place of
performance, with spectators
seated in stands and only the
actors free to roam. Much else
that is modern has to do with
electricity, with lights that
black out the crosses and the
Crucifixion and recorded music
that obtrusively supplements
the live performance of a rotat-
ing trio of orchestras. The live
music is also amplified, as are
the actors, but Mr Garland has
worked a finer balance there
and it keeps the story clear.

With our twentieth-century

demands for productions that
can serve up sensations and
ideas to a pious audience, some
of the crucial balances must
suffer. Although the plays
cover almost the entire Bible,
from the Creation to the
Passion of Christ, they are not
particularly pious. They enter-
tain, they educate and they
should amaze. For much of Mr
Garland's production they
manage all those things, but the
suffering of Christ is stretched
out into something heavily
dramatic, to something acted as
opposed to something told. That
is partly because Mr Timothy
chooses to play Christ instead
of playing a carpenter who is
playing Christ. We get a display
of the Passion itself, but not its
meaning.

That is a weakness that may
well have gone by now, for
elsewhere Mr Garland is intent
on telling the story and the
York residents who play such
parts as God, Lucifer, Pilate,
Mary, Mary Magdalene (a
Yorkshirewoman from Ching)
and Adam and Eve bring a
natural ease to their perfor-
mances which is rewarding to
watch. Mr Timothy also cap-
tures the spirit when he
becomes a glad-handing Christ.

Wagons, horses and sheep
keep their traditional roles, but
Mr Garland's personal vision
expands to something more akin
to William Blake. The risen
Christ appears suspended above
the high abbey walls and the
Adam and Eve of Roger Yorke
and Vary Goodwill appear
finally naked on the Day of
Judgment. The intended
Christian affirmation is there
at those moments, and, when
some of the chaff is blown away
from the overly extended scenes
near the Crucifixion, it should
be compelling throughout.

'Lulu' at the Garden

New productions of *Les Contes
d'Hoffmann*, the complete three-
act version of Berg's *Lulu*, *Mac-
beth* and *Don Giovanni* are
among the works announced
yesterday as part of the 1980-
81 season at the Royal Opera
House, Covent Garden.

Hoffmann, which is being pre-
sented to celebrate the cen-
tenary of Offenbach's death,
will be produced by John
Schlesinger, directing his first
opera, and designed by William
Dudley and Maria Björnson.
Plácido Domingo will take the
title role, and others in the
cast include Leona Corubas,
Agnes Balza, Sir Geraint Evans,
Sigmund Nimsgern and Nicolai
Giuliese. It will be conducted
by Georges Pretre; Carlos
Kleiber had been expected to
conduct but has decided that
he now does not want to do the
work. *Hoffmann* will open in
December.

Lulu, in the version with the
third act realized by Friedrich
Cerba, will be produced by
Götz Friedrich and conducted
by Sir Colin Davis, with designs
by Timothy O'Brien and
Tazuma Firsh. It opens in Jan-
uary, 1981. The cast will include
the American soprano Karan
Armstrong in the title role,
making her Covent Garden
debut.

In March the company will
present *Macbeth*, produced by
Elinor Mosinsky and con-
ducted by Riccardo Muti. The
designer will be John Napier.
Renato Bruson will take the
title role, with Renata Scotti
as Lady Macbeth and Robert
Lloyd, Veriano Luchetti and
Robin Leggate.

Then, in July, *Don Giovanni*

will form part of a short festival
of Mozart operas. It will be
produced by Peter Wood and
designed by William Dudley.
Sir Colin Davis will conduct,
with Ruggero Raimondi, Giovanni
Vannini, Soudulsi Janowitz, as
Donna Anna, Kiri te Kanawa as
Donna Elvira and Geraint
Evans as Leporello.

Other operas in the Mozart
season will be *Così fan tutte*,
with te Kanawa, Balza, Stuart
Burrows and Thomas Allen, and
Le nozze di Figaro, with Star-
ford Dean and Geraint Evans
sharing the title role, plus
Helen Donath, Margaret Mar-
shall, Robert Lloyd and
Margaret Zimmerman. Colin
Davis conducts both operas.

Revisions during the season
include *Un ballo in maschera*,
with Montserrat Caballé,
Luciano Pavarotti and Renato
Bruson, and conducted by
Bernard Haitink. Bruson will
also sing Iago, with on Vickers
as Othello and Teresa Zyllis-Gara
as Desdemona; Colin Davis con-
ducts. The season starts with the
revival of the *Ring* cycle,
already announced, and con-
tinues with *Lucia di Lammer-
moor*, with aria Ricciarelli and
Jose Carreras.

Lohengrin will be presented
with Manfred Schenk, Peter
Jürgen Schmidt and Heather
Harper, and Peter Pears will
be revisited with Jon Vickers in
the title role. A new produc-
tion of Cherubini's *Medea* had
been announced, but has been
replaced by a revival of Meyer-
beer's *L'Africaine*, with Grace
Bumbry.

Martin Huckerby

Devo

The Venue

Richard Williams

On their appearance three
years ago, Devo's vocabulary
made a striking contrast with
the idioms of the British new
wave: they displayed irony
instead of anger, precision in
place of passion, and a fair-
ly industrial boiler-suited rather
than bondage trousseau. A cer-
tain intensity was common to
both, however, and Devo too
felt that they had a firm per-
spective on the situation of the
working class, choosing to
satirize the blue-collar world
of suburban America, from
whence they sprang.

They were a powerful
novelty, but the cultish in-
jokes wore thin by the time
they arrived in Britain this
month, and it was a surprise
when, this week in London,

they produced a performance
of highly imaginative stage-
craft and sustained enthusiasm.
Prefaced and closed by the
mordantly humorous short
films of Chuck Statler, the set
seemed to be an attempt to
make a statement about totali-
tarianism in the guise of
democracy; whatever the in-
tended message, Devo went
to work with their customary zest.
Their singer, Mark Mothers-
baugh, sang fairly, compelling
figure, but his task was cer-
tainly eased by the brilliant light-
ing, most of which emanated
from large mesh-fronted boxes
positioned behind each musi-
cian. The split-second changes
of colour and texture were un-
usually dramatic, as was
the costuming of the encores: for
the deeply ironic "Freedom of
Choice", Devo emerged in
Hitler masks and roller-disco
outfits, switching to fluorescent
tardards for the fractured 7/4
of "Jocko Homo", their signa-
ture tune.

Some of the reviews on this page are reprinted from
yesterday's editions

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of recent years."
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"... Fine in every way
... you shouldn't miss it."
—*Derek Malcolm, Guardian*

"A film of considerable originality"
DAILY TELEGRAPH

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"Dexterity, wit,
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Because I've known you all my life.

Because a red Rudge bicycle once made me the happiest boy on the street.

Because you let me play cricket on the lawn.

Because you used to dance in the kitchen with a tea-towel round your waist.

Because your cheque book was always busy on my behalf.

Because our house was always full of books and laughter.

Because of countless Saturday mornings you gave up to watch a small boy play rugby.

Because you never expected too much of me or let me get away with too little.

Because of all the nights you sat working at your desk while I lay sleeping in my bed.

Because you never embarrassed me by talking about the birds and the bees.

Because I know there's a faded newspaper clipping in your wallet about my scholarship.

Because you always made me polish the heels of my shoes as brightly as the toes.

Because you've always been there when I've needed you.

Because you still hug me when we meet.

Because you still buy my mother flowers.

Because you've more than your fair share of grey hairs

and I know who helped put them there.

Because you've remembered my birthday 38 times out of 38.

Because you're a marvellous grandfather.

Because you made my wife feel one of the family.

Because you wanted to go to McDonalds the last time I bought you lunch.

Because you let me make my own mistakes and never once said "I told you so."

Because you still pretend you only need glasses for reading.

Because I don't say thank you as often as I should.

Because it's Father's Day.

Because if you don't deserve Chivas Regal, who does?





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EUROPEAN LEADER TO TRUST

ould be extremely odd, in the background of Gerhart, if there were not people in West Germany who were tempted by the hat their national interest be better served by accommodation with Moscow than by the United States. It also be odd if this sort of action were not touched in an election year at a time of confidence in the alliance is at a low ebb, or if it is important for West Germany's allies to be clear what is actually being done in the mainstream of German politics so as not for fears that every move many's eastern policy is the seeds of potentiality. West Germany is by history, geography and interest to have an and a western policy. is the substance of these and the balance between

a recent pre-election conference of the Social Democratic Party, even the left is astonishing membership of it. What it wants is less ce towards the United and more assertive West moves towards disarmament and détente in Europe. If there are potential here, if its advice were I over a period of time tilt steadily farther the West for the modern of western weapons be indefinitely delayed any corresponding re on the Russians. But the vice is not being taken, not even pose a serious e to Herr Schmidt. The had no difficulty pas-afisto pledging loyalty alliance under the leader- the United States and clearly that détente is not without a balance of power. This is the policy

with which the party now enters the election campaign, and it puts Herr Schmidt in a strong position.

This does not dispose of the problem that Herr Schmidt is under public pressure to keep alive his eastern policy and to protect the German interests in European détente. For many Germans, fear of the Russians now mingles with fear that the United States cannot be relied upon to defend Europe or is liable to blunder into an avoidable war.

This does not blind most of them to the fact their security depends wholly on the United States. What they appear to want is the weakening of ties with the alliance but more active West German and European diplomacy both within the alliance and on behalf of the alliance in relations with Moscow. They want Europe to reassert itself as a diplomatic power to fill the gap left by faltering America. This, at any rate, is the more responsible version. Unfortunately there is a less responsible tendency to hope that Europe can be preserved as an island of détente while America alone carries the burden of patrolling its borders and protecting its vital lines to markets and raw materials.

It is against this background that Herr Schmidt will be going to Moscow at the end of this month as the first western leader to do so since the invasion of Afghanistan. His meeting with Mr. Brezhnev will be very different from President Giscard's furtive and irresponsible meeting with the Soviet leader in Warsaw. That was undertaken without serious preparation, without consultation with France's allies, and without any prospect of results. The President has been deservedly criticized at home. Herr Schmidt, in contrast, is seeking the full backing of his allies and will carry with him

their agreed position and their mandate. He will also have the advantage that the Soviet Union takes West Germany extremely seriously as the major power in Europe, whereas on the whole it regards France as useful only for its nuisance value in the western alliance.

Even so, Herr Schmidt's critics are legitimately asking what the trip can achieve. There is no sign of any Soviet give on arms control or on Afghanistan. There is no lack of secret communication between Washington and Moscow. Yet the trip does have serious value. First, if Herr Schmidt takes with him a united western position it will show the Russians that the crisis provoked by their invasion of Afghanistan has not just been stirred up by the American Administration in order to get President Carter re-elected but represents deep and real concerns of the western alliance. Secondly it can usefully reassure a worried West German public that East-West diplomacy is continuing. Secret talks between the super powers are not enough when the public has lost faith in the capacity of the super powers to negotiate intelligently. There must be some theatre as well. Thirdly, it is just possible that he can find a formula for getting talks going on nuclear weapons in Europe.

Finally, it is entirely legitimate for a West German leader in a time of tension to save what he can of his nation's interests, provided he does so in collaboration with his allies. This is what Herr Schmidt is doing. He is no fool. His party has a long history of dealing with communists, and it was he himself, after all, who pressed hardest for the modernization of Nato's nuclear weapons in Europe. He is one of the strongest and most reliable political leaders in Europe, and the best thing his allies can do is to trust him.

Spain, Portugal and the EEC

From Professor R. H. Graveson, QC
Sir, Spain and Portugal, as your leading article on June 9 rightly suggests, are greatly concerned over the possibility of delay in their accession to the European Community. Although such delay is likely to be only tactical and temporary and not entirely to the disadvantage of Spain and Portugal, it would be reasonable, useful and encouraging to them if the new applicants were invited to participate in any discussions on a revised structure and operation of the Community. If a precedent were sought, one at least could be found in the representation of the United Kingdom on the EEC working party planning the European University Institute at Florence before this country's accession to the Community.

Considerations of convenience apart, such a course would enable the applicants to decide whether they wished to join a reformed Community. Their views and decisions, like those of Greece at an earlier stage, are of great importance to the present members of the EEC. At no later time could those views be more influential.

Yours faithfully,
RONALD GRAVESON,
The Athenaeum,
Pall Mall, SW1,
June 12.

Value of a centre party

From Mrs A. M. Stewart-Wallace
Sir, I write as a committed Conservative to commend Mr Jenkins in his war for the nation's ear. At this critical time it is vital that political thinkers should survey the wider scene which lies outside party boundaries and there must be many of us who shiver with fear at the prospect of an eventual swing to an alternative government controlled by Bannister philosophy and committed in advance to the strait-jacket of irreversible socialism.

We all know only too well that an electoral swing has so come as night follows day. It is my view that this Conservative Government would be doing an immeasurable service to the nation if it decided to act as a midwife at the birth of a new political alignment so that in advance of any leftward swing, a reasonable alternative can be put before the nation. Consideration of central funding of political parties and of the possibility of electoral reform would greatly help the prospects of such a new alignment.

It would be heartening if the long view could now be taken. A new party would be unlikely to win the next election but, if it could come into being and make a respectable showing, it might well become the official Opposition ready to win the election when the appropriate time inevitably came. Thus the extreme left of the Labour party would be pushed into the political wilderness.

Yours etc.
MARY STEWART-WALLACE,
The Moor House,
Ditching,
Sussex.

Christian belief

From Dr Ian Hammett
Sir, Katharine Thwaites (June 9) misrepresents the Catholic position on the authority of Scripture and tradition.

The most that Catholic orthodoxy permits is that of church tradition is that it is a tradition rather than a carefully defined circle of truth. The Church is subject to error, though even this assertion is much less straightforward than she seems to think. Preservation from error is a divine gift, but it is not a "divine inspiration" in the sense of "divine inspiration" to church tradition.

She is, again, subtly but crucially wrong in what she says about Scripture. The Church points to Scripture, but she is not the "author" of it. Indeed, the Church is subject to error in a sense in which she is not subject to even the "irreversible" elements in her tradition.

The authentic Catholic position is thus very close indeed to Mr Stewart-Wallace's and fairly distant from Mrs Thwaites's.

Yours etc.
IAN HAMMETT,
University of Bristol,
Department of Zoology,
12 Woodland Road,
Bristol,
June 9.

Detention of immigrants

From Mr Geoffrey Bindman
Sir, John Plummer (June 2) once more draws attention to the uniquely unfettered powers of discretion conferred on immigration officers by the Immigration Act, 1971, in the exercise of which many persons are imprisoned for indefinite periods without charge or trial. When prisons (are overcrowded it is extraordinary that those detained under the Immigration Act are denied the right to apply for bail on the terms made available by the Bail Act, 1976, to those accused of criminal offences. Under the Bail Act the court must grant bail in ordinary cases before conviction unless satisfied that there are substantial grounds for believing that the defendant would fail to surrender, or to custody, or that special reasons (Moreover) when bail is refused, the reasons for refusal must be disclosed.

If John Plummer is right in his estimate that approximately 70 per cent of those detained under the Immigration Act would be released if the statutory presumption of the Bail Act applied to them, then the hardship which they are suffering and the unnecessary cost to the taxpayer must surely be brought to an end without delay. Even if his estimate is an exaggeration, there is no justification for tighter restrictions on bail under immigration law than under the general criminal law.

Yours faithfully,
GEOFFREY BINDMAN,
Bindman and Partners,
1 Euston Road,
King's Cross, NW1.

LETTERS TO THE EDITOR

A testing time for monetarism

From Professor F. A. Hayek, FBA

Sir, The question which Professor Pearce (June 5) raises is at the same time so important and so complex that it is hardly possible even to sketch an adequate answer within the same frame. I am still convinced that, as far as economic causation is concerned, the value of money is wholly determined by the magnitude of the supply of money in relation to the demand for holding it. In this sense I agree with Professor Pearce's criticism that there is no such thing as a cost-push inflation. But politically it is unfortunately true that by pushing up wages the trade unions can make it "politically necessary" to increase the quantity of money, to create a condition in which government finances must do so.

For this reason I am even convinced that trade union reform must precede monetary reform. It is this which makes the former so exceedingly urgent and is the chief reason why in both fields gradualism cannot help. If, as I believe to be true, with the present power of the trade unions no government that has the power over the supply of money can resist the pressure for more money, the monetary termination of inflation cannot succeed before the power of the trade unions is curbed. But time is becoming short and it will soon be necessary to proceed on a sensible if the necessary operation is to be completed.

The theoretician must always, and particularly if he lives abroad, hesitate to give advice on what must be a political decision. But if this Government, within its limited life, is to achieve the salvation of Britain, a radical procedure will soon be required. As I see it, within the available what is required can be achieved only if the Government, in the near future, obtains through a referendum popular instruction at once to rescind all the special privileges which have been granted to the trade unions by law, and is then ready immediately afterwards to terminate inflation in its terms. Only this can make it possible for the beneficial effects of such a policy to manifest itself some time before the term of the present Government runs out.

From the technical point of view there is no serious difficulty about stopping inflation. As the former

chairman of the Federal Reserve Board, Arthur Burns, has recently confirmed in a much noticed lecture, the monetary authority can always "stop inflation" with little delay. The difficulties are not economic but political and especially problems of government finance. Ending inflation does not mean that government is deprived of its recourse to the printing press for government must balance its budget and I admit that it is not humanly possible to do so overnight.

The central problem thus becomes how government can be offered a period of two years or so during which it can reduce its expenditure so that it will be covered by revenue. But all borrowing is at present being used for the likely to cause further inflation and impose an unbearable burden.

The only escape I can see is that government obtain the funds which will give it a period during which it can balance its budget by issuing a "solidarity" loan in terms of an indexed unit, called, say, "solids". Large amounts could probably be raised cheaply, at perhaps three or even 2½ per cent, if a public which no longer knows what to do with its savings were offered such an opportunity. It seems to me that the British Government, perhaps undeservedly, enjoys in the world still a reputation for honesty which may make a first experiment of this sort a great success. The "solids", in terms of which the loan would be issued, would have to be defined as, and be redeemable with, so much of a bundle of other currencies as would at the time be required to buy on the world market a "basket" of a wide range of standard internationally traded commodities, such as wheat, oil, and other commodities. Ultimately this unit might become, if necessary, the basis of a new British currency.

Slowness of procedure might at the time destroy all chances. If the present rightly directed efforts fail because of delay, may be the loss of the last chance of a British recovery for generations. It is not too late yet, but it may be soon.

Yours faithfully,
F. A. HAYEK,
Ulrichstrasse 27,
D-7800 Freiburg (Breisgau),
Federal Republic of Germany.
June 7.

Casualties in the war on inflation

From Mr A. T. Harrison

Sir, I am at present undergoing an experience which is probably foreign to most readers of *The Times*. Following an unwise change of employment, I am now unemployed.

In the last few days, I have followed some correspondence in your columns with a view to criticism, amendment and, where appropriate, deletion of my own writing.

Mr William Shepherd today (June 10) alludes to "a level of unemployment benefit not much below wage levels in many areas". My salary before my change of employment was £100 a week, and I believe, a little above average nationwide earnings. My unemployment benefit amounts to a little more than thirty-three pounds a week. If Mr Shepherd is correct in his assertion, I would suggest that the standard of living of those who are unemployed is not much above unemployment benefit.

He goes on to suggest that "the majority of people of this country" would be willing to support a plan to end inflation, "even though it involves sacrifices". Perhaps they would, since it is reasonable to assume that no government could manage the country's affairs with such gross ineptitude that a majority of the population became unemployed, it is possible that a majority would accept the vicarious sacrifice of those who are unemployed, "reducing" meaning levels in industry.

The same cheerfully oblivious attitude to the misery of other people is found in Mr Eldon Griffith's letter of last week (June 9). He takes issue with Mr Gordon Dray of the National and General Government Officers' Association (NAGGO) for wishing to preserve the living standards of his members. I do not have his letter before me, but the tenure of his remarks was that a reduction in general living standards was necessary for the nation's economic recovery. Is he unaware that a reduction in living standards for a NAGGO member, or a labourer, or an unemployed person, has consequences far more serious than being obliged to purchase a Cornish rather than a Camargue? I presume that he remembers that his own political party, on coming to power, gave an improvement in living standards, by way of tax reductions, to persons earning, or likely to earn, over £10,000 a year. Incomes beyond the wildest dreams of members of Mr Dray's trade union. It is ironic that you should have printed his letter together with that of the Reverend Mr Allison. What a contrast! The standards would Mr Griffith suggest to the lady who could not afford a Sunday joint?

What disturbs me, Sir, is that some of your correspondents seem to lack any appreciation of the effect of the measures they advocate upon people. "Reducing" meaning levels" means putting people out of work, including, in one Walsall factory, men approaching sixty who had worked for the company since they were 14. A "reduction in living standards" means less than £100 a week, but no bread for others. On her arrival at No 10 Downing Street, the Prime Minister quoted a prayer scribbled, inaccurately, by scholars tell us, to St Francis of Assisi, but discord will not become peace while the rich oppress the poor people as more economic units.

Yours faithfully,
ALAN T. HARRISON,
16 Baslow Road,
Bloxwich,
Walsall,
West Midlands.

Search for work

From Wing Commander A. G. Trevelyan Jones, RAF (retd)
Sir, Without knowing in what categories of staff the Manpower Services Commission will be short (The Times, June 5) I offer a simple solution. There must be thousands of ex-Service officers and NCOs like myself, with wide experience of organizing recruitment and providing careers advice, trade and aptitude testing, selection for and supervision of training for the young, and less young, of both sexes.

Most of us who have just qualified for old-age pensions still have at least part-time jobs, but have time available for voluntary, unpaid work with MSC (traveling expenses might be required).

Having children and grandchildren of our own, we have deep sympathy with the unemployed, particularly with school-leavers, and would be glad to give our time to help them, and the country, in these difficult days.

It would be a scandal not to make use of this reservoir of human experience.

Yours faithfully,
A. G. TREVELYAN JONES,
Flat 7, 125 Harley Street, W1.

is to "protest impotently about the cur when, in fact, their opinion is to challenge the legality of their LEAs actions."

Of course, your Correspondent is in distinguished company—Mr Carlisle appears also to have lost sight, in his eagerness to fulfil pledges to reduce public spending on education, of his duty to see that the law is not broken, and that LEAs continue to provide schools "sufficient in number, character and equipment."

It is quite understandable that parents should want their children's schools to be properly equipped and staffed, but to allow the unminuted sector to become further reliant on voluntary contributions can only lead to even greater inequalities between schools, with the obvious result that the in most need receive the least.

We would urge, therefore, any parent who is asked by a school or parents' organization for a contribution towards the cost of anything which is not broken, and that the education of their children, to challenge their LEA to provide it before they dip into their own pockets and thus help to undermine further our "free" education system.

Yours sincerely,
PETER NEWELL,
Advisory Centre for Education Ltd,
18 Victoria Park Square,
London, Green, W2.

Health hazards of dogs in parks

From Professor A. W. Woodruff

Sir, I am happy to tell you that my granddaughter, aged five months, has been able to walk for five months, and her parents spent the spring holiday with my wife and me, and I had for the first time the privilege and pleasure of taking her for a walk in our local park. She managed splendidly the 550 yards to the children's playground, but on route we had to bypass several specimens of canine faeces and, in the playground, she was persuaded with difficulty to avoid the sandpits. On the return journey I counted the faecal deposits and found there to be 12, all lying on a direct route. Moreover, I had to protect her from the advances of five dogs, even though our walk took place between 9.30 and 10.30 am. Having delivered her safely to her parents I retraced our footsteps armed with specimen tubes in which I collected five gram samples of soil at intervals of 34 yards, measured with reasonable precision and without regard to the proximity or otherwise of faecal deposits. I also took four samples of sand from the sandpits.

Examination in my laboratory of the 16 soil specimens has revealed that four contained toxocaral eggs. The four samples of sand contained none.

In view of these results I am sorry to advise her of the pleasure of playing in the sandpits, my caution stemmed from our demonstration of the eggs in our sandpits. Perhaps the notice on the railings of the playground, "No dogs", is having good effect and, I am sure, the local council, so concerned for the health of the rest of the park, will do so, for cause for concern. I was able during our walk to observe at first hand, and again with difficulty, to overcome the almost irresistible fascination a toddler has in putting into the mouth interesting objects found. The hazard from the obvious and doubtless helps to explain why most—but not all—patients with toxocaral eye and other damage are children.

Because of my suggestions for putting restrictions on dogs, your staff writes in the issue of December 31, 1977, included in the "doom merchants" who should be put to flight in 1978—not an encouragement to investigators to warn the public of the risks they run from preventable disease! Of dogs, however, it was admitted that "they should be kept under control as most of them are the hands of devoted owners sensitive to the public amenity". Evidently in 1980 not enough owners are sensitive to the public amenity of the public health.

I am glad therefore that you made an issue on May 21 by being kind enough to report an address concerning the health hazard in public parks which I delivered to a conference of community physicians and environmental health officers. In Britain each year toxocaral causes severe damage to the sight of, at least 50 eyes. Your publicity is important in alerting the public and authorities. This analysis of a recent personal experience—without doubt typical of that of many thousands of others—may help to reinforce the long action aimed at responsible dog ownership and reasonable canine controls.

Yours faithfully,
A. W. WOODRUFF,
Director,
Department of Clinical Tropical Medicine,
Hospital for Tropical Diseases,
4 St Pancras Way, NW1.

Man and Nature

From Dr A. S. Thomas

Sir, The feature entitled *Survival* (June 5) is replete with fascinating concepts and outmoded facts. There is no such thing as a natural ecosystem, an assemblage of plants living in harmony without change, for there is constant movement and migration of animals; there is no equilibrium, for change is constant. Many of the foreworded facts are false or misleading. The car downer are young, secondary to former clearing; for example, careful study of many sites in Uganda described by explorers in the last century showed a vast increase in trees; only two instances of increased human settlement at Karwe salt lake and by concentration of wild animals at the Murchison Falls, had the trees diminished. Over a hundred years ago, Mr. March showed that the savanna of desert in north Africa, but over three years ago Staples in Tanzania and I in Uganda showed that in tropical Africa it is the cattle and not the goats which destroy the grasslands. Year increases in food production are possible in many tropical regions when the chemical deficiencies in the soils have been remedied, as in Britain and other temperate countries.

None of the writers seem to realize that he may be purely responsible for recent catastrophes, for those most eloquent on protection of the environment are often most insistent on political change. The two are interdependent. Great damage has been done by imposition of agricultural dogma unsuited to local conditions, but greater damage has been done by imposition of political dogma unsuited to local society. In the bad old colonial days the common people lived in peace, the famines were infrequent, the forests were preserved; a subtle recent lesson from unhappy Uganda asks "When are the British coming back?"

Yours faithfully,
ARTHUR THOMAS,
Goodings,
89c, Lane,
Aldershot,
Sussex.

Merely players

From Mr M. E. Simons

Sir, Is our national economic predicament as bleak as critics? The game involves one proactive batsman backed up by a mass, and one bowler supported by 10 reactive fielders, whilst nine members of the batting team sit in the pavilion with their feet up. Periodically everyone has a drink.

Yours truly,
MARTIN E. SIMONS,
24 Garsington Avenue, SW15,
June 11.

WAGES OF CRIME IS £500,000

fensive to the public's justice that convicted should be allowed to am their criminal entourage sense of grievance might mitigate in cases of profiteers receive substantial sentences of imprisonment are able on release to a comfortable life in their criminal gains, albeit a few years in the benefits of a few thousand pounds may not be tantamount to away with it. For that reason the House of Lords decision of the House of Lords that forfeiture orders the manufacturers and of LSD in the "Julie" re invalid will under result in a feeling of More than a half-million is said to be involved, the measure of the from the illegal sale of That sum will now be available to those who can make and sell the drug, who are almost certainly able for causing a great mental and physical to many of their customers.

Lord expressed regret

at the conclusion which they had reached, but, on the law, they could have come to no other. It would not be difficult for Parliament if it so wished to change the law so that future injustices of this kind did not occur. One of the grounds on which the House of Lords based its decision was that profits did not fall within the definition of the "anything" that could be forfeited under the Misuse of Drugs Act. There would be nothing to stop Parliament enacting that not only a tangible thing actually used in the commission of crime should be liable to forfeiture, but also that any profits resulting from the offence should be subject to confiscation. That principle would not have to be limited to drugs offences.

The other arm of the House of Lords' reasoning is equally amenable to legal reform. The members of the drug gang were charged with conspiracy, but the forfeiture orders referred to a specific Act, under which there had been no convictions. Enacting a broadly defined provision allowing forfeiture of any profits made from any criminal activities should not prove difficult.

There are other ways to ensure that criminals do not prosper financially from their misdeeds. In the "Julie" trial, for instance, it would have been open to the judge to fine the defendants sums equivalent to the proceeds of the crime. On conviction for conspiracy, there is no upper limit to the penalty that can be imposed. Where offences under particular statutes are charged, however, maximum fines are specified. Courts also have the power to award compensation to victims of crime, though that would not have been appropriate in the "Julie" case.

It is, of course, always open to anyone who has been harmed by a criminal act to bring a civil action for damages against the offender. There may be difficulty in proving cause and effect, and in the "Julie" case, there would be the added complication that any customer of drug makers would have voluntarily assumed at least some degree of risk by purchasing the LSD. The knowledge that the defendants have more than a half-million pounds at their disposal with which to meet any claims may, however, be a source of some incentive.

Report June 12 1980

House of Lords

Ang's drug fortunes unlawfully forfeited

Cuthbertson, Todd and

Lord Diplock, Lord Ed-
wards, Lord Keith of Kin-
g's Clarendon and Lord Rus-
sell

The House of Lords has

ruled that the drug

trafficking proceeds of

the late Lord Russell

were not to be paid to

his estate but to the

Crown. The decision

was made in a case

concerning the

forfeiture of property

under the Criminal

Justice Act 1971.

The House of Lords

was divided 3-2 in

favor of the Crown.

The majority was

led by Lord Diplock.

Lord Russell's

estate had claimed

that the proceeds

were to be paid to

it. The House of

Lords rejected this

claim. The decision

was made in a

case concerning

the forfeiture of

property under the

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FOREIGN REPORT

Critical shortage of manpower for US Navy

Last year the 36,000-ton

United States supply vessel

Canisteo won the title of

superstition for its

refusal to accept the

offer of a new

commander-in-chief

of the Sixth Fleet

in the Mediterranean.

This year it has been

lying idle at the

dockside in Norfolk,

Virginia, unable to

put to sea.

Although it is 35 years

old, the Canisteo is

not suffering

from the symptoms

of old age, although

its boiler room

needs constant

attention. Instead

it has become the

victim of a growing

shortage of

skilled manpower

in the United

States Navy which

is now reaching

crisis proportions.

When Captain Arthur

Frederickson took

charge of the

Canisteo, he found

that he had only

two boiler techni-

cians, six petty

officers, normally

there should have

been nine boiler

men, 13 machinist

mates and 12

chief petty officers.

Under such con-

ditions, Captain

Frederickson felt

that the Canisteo

was unsafe to

sail. He decided

to communicate

to his superiors

in Washington.

Captain Frederickson's

message came as

no surprise to

the navy leadership,

although it was

the first time that

manpower shortages

had been reported

in place of people

who would (in

the past) have

been trained

over four or five

years. We are

counting on

young people

taking as much

responsibility as

they can handle.

The Navy blames

the loss of

trained sailors

on a variety of

factors not least

the relatively

low pay for

most grades. It

calculates that

average wages

should rise by

at least 17 per

cent just to

offset inflation

since the last

decline for a

while and not

really have a

dramatic impact.

It is now

reaching a point

where the impact

is dramatic.

The figures

speak for

themselves. Last

year the navy

was short of

1. *Phragmites* (Common Reed)

Charges	3,955	2,722
	1,094	469
	2,861	2,253
	2,461	1,943
	611	462
	23.5p	20.3p
	5.3p	6.9p

on previous year
for Capitalisation Issue June
33.3% over 1978.

4th July 1980, copies of
obtained from The Secretary,
at Tower, West Way, Oxford



'Irregular' Italian workforce increasing

The phenomenon of irregular or "clandestine" labour in the Italian textile, clothing and footwear industries is growing, and involves 800,000 people, according to the textile workers' federation.

A survey by the union concluded that, out of nearly three million people doing piece work in these sectors at home, 600,000 had been taken on without regard to employment regulations. Official employment conditions were also not applied to another 200,000 working in factories, mainly in the Mezzogiorno.

These figures show how small companies by underpaying taxes and social security charges, have often undercut foreign goods in export markets and demonstrate how wide of the mark official statistics on unemployment can be.

Finnish rig contract

Finland's Rauma Repola shipbuilding and engineering group has signed a Finnmark 350m (Afm) contract to build a semi-submersible drilling rig for North Sea operation with Californian Global Marine Inc.

Favoured Hungarians

The United States is expected to grant "most favoured nation" trade treatment to Hungary according to the newspaper *Magyar Nemzet*, quoting a report from Washington.

Wheat export record

Australian wheat shipments were a record 7.4 million tons in the first four months of this year compared with 4.3 million tons a year earlier.

More Japanese steel

Japan's crude steel production in May rose 1.5 per cent to 9.95 million tonnes from 9.80 million in April. The May total was the biggest since August, 1974.

Not enough workers

Swiss unemployment in May dipped to its lowest level since April, 1975, at 5.705 or 0.2 per cent of the workforce. Total vacancies are 12,264.

Iran work resumes

Five Mitsui group companies in Japan have agreed on resuming work this autumn at the Bander Khomeini petrochemical complex in southern Iran, which was suspended last year.

Production rises

Switzerland's industrial production index in the first quarter rose 9 per cent to 151 compared with a year ago. The increase is the strongest since early 1977.

Australian jobless up

Total unemployment in Australia rose to 413,100 in May, up 21 per cent from April, reversing the downward trend of the preceding two months.

Japanese car deal will produce 85,000 cars in first year at Cowley

BL ready to reap Honda's Bounty

Construction and equipment of the BL Honda Bounteous car plant at Cowley, Oxfordshire, is going ahead according to schedule, and the new car will be produced from next summer as planned, according to Honda executives in Tokyo.

Conversations with Mr Hirobumi Nakamura, a Honda main board director and a member of the company's European market task force, as well as with Mr Shuko Hayashi, manager of the Japanese car group's international planning office, show that Honda attaches much greater importance to the deal than was first thought.

It is clear that the Cowley cooperation is a third and vital component of the export strategy which Honda will pursue during the 1980s.

Honda, newer and smaller than Toyota and Nissan (Datsun), the other two big Japanese car companies, relies much more than them upon export sales, which were as much as two thirds of total production of cars last year.

The Japanese Government, and Honda in particular, are extremely worried at pressure in the American market to tax Japanese car imports, as well as by pressure from the EEC ahead of the Venice economic summit for the Japanese voluntarily to limit exports.

Both the Japanese Government and Honda see joint production deals at Cowley with BL as one way of responding to protectionist pressures. Mr Nakamura said it was a "huge" project for Honda and BL.

Under the deal BL will, under initial Japanese supervision and quality control, manufacture the Bounteous, a car of Japanese design built with Japanese jigs and dies, incorporating many Japanese robot techniques. BL will pay Honda a royalty on each car produced.

Production of 85,000 cars a year is planned at first. This, however, is the capacity of only one of the two lines at Cowley.

In three or four years from now, Honda will evaluate the success or otherwise of the Cowley venture, and compare this with the two other kinds of joint deal the company now has under way overseas.

In Ghent, Belgium, Honda already has a plant adding locally made headlights, wipers and arm rests to imported Accord Civics and Preludes. It is planned to increase the use of local components, given acceptable price and reliability standards.

In Marysville, Ohio, however, a much more ambitious project is under way. Honda is building a car plant alongside its existing wholly-owned motorcycle factory. This is due to start producing about 40,000 cars a year from the end of 1982.

Total sales of Honda cars to the United States from Japan last year was just over 380,000 cars. In due course, Marysville will produce about one quarter of Honda sales in America.

In the United Kingdom, Honda is selling about 21,000 cars a year, and increasing at a rate of about 25 per cent (one quarter). Mr Nakamura said of the Cowley deal:

"After three or four years we will know whether it will prove to be successful. That is the time when we will talk about the future. We are concentrating 100 per cent on the successful start of this actual production."

This, he implied, whether in future investment in Europe and in particular in the United Kingdom, Honda would plump for production of existing Honda models by the Marysville, Ghent or Cowley-type schemes.

Teams of up to 10 Japanese were going out to BL every other month, and BL teams were coming to Japan with the same frequency, he said. Blueprints and specimen components were already being sent to the United Kingdom. Robot installation was going ahead on schedule, although no details were available of its scale.

Mr Nakamura said Japanese technicians would supervise quality control for about six months after the start of production, whereupon quality control became a BL responsibility. It was up to BL to decide what percentage of Bounteous was sold in the United Kingdom and what in Europe.

Mr Nakamura would give no details of the Bounteous specification, but said it was an "entirely new model" unrelated to the Quint five-door, 1.3 cc hatchback recently released in Japan. This will be sold in Britain from the autumn and the Bounteous itself would be made and sold in Japan.

Ross Davies

in Tokyo

Concern on ultrasonics side of Thorn EMI group

By Bill Johnston

Concern is growing among the 200-strong workforce of Thorn-EMI's Edinburgh-based ultrasonics group at the absence of a buyer for the business, despite approaches to the company by the British GEC and Fischer Industries of America.

Since Thorn-EMI withdrew from the medical diagnostic imaging market on April 29 by selling its interest in the award-winning scanner to General Electric of America, the future of the ultrasonics group has been in question.

Under the agreement signed with General Electric, the sales and service operations of EMI Medical in Europe and other international markets were sold. Including patent litigation, the deal netted Thorn-EMI \$37.5m (about £16m).

The idea was to sell the ultrasonics group, part of Thorn-EMI's company, Nuclear Enterprises, as a going concern. Having sold off the sales side the type of buyer however is considerably restricted.

General Electric of America has its own ultrasonic equipment which it will undoubtedly market through its newly-acquired outlets.

The company has agreed to allow Thorn-EMI sales facilities, for a limited period.

Representatives of GEC have been to visit the Edinburgh plant but have not agreed on the amount asked for the business by Thorn-EMI.

On Wednesday a delegation from Fischer Industries of the United States made a visit to the plant.

Despite the price British GEC is still keen since it has recently become heavily involved in the ultrasonic market with the launch earlier in the year of its Mobile Artery Vein Imaging System (MAVIS).

The workforce are concerned that the manufacture would stay at the Edinburgh site irrespective of who the buyer would be.

Sales downturn and imports surge hit domestic appliance industry

By Derek Harris

A sharp downturn in sales of electrical goods, particularly in the last half of May, the Association of Manufacturers of Domestic Electrical Appliances (AMDEA) yesterday reported deliveries to the trade by United Kingdom manufacturers had declined by a third during March. In the first quarter, deliveries were down 15 per cent compared with the same period last year.

A surge of imports, which were up 23.5 per cent in the quarter and 31 per cent in March, accounts for much of the delivery decline from United Kingdom factories and AMDEA's quarterly survey shows a 2 per cent contraction of the market as a whole.

Little change in this gloomy picture for United Kingdom manufacturers of goods like refrigerators, washing machines and vacuum cleaners is foreseen for the second quarter by the association as retailers, hit by high interest rates and falling sales, attempt widespread de-stocking.

A decline in sales of electrical goods as a whole is already

causing short-time working and redundancies "covering the brown goods" area of television and radio as well as the white goods. Rank Hi-Fi and Pye Dynatron, part of Philips, are among brown goods manufacturers which have brought in some short-time working, and at Eclat, the radio makers, there have been 90 redundancies as well as short-time working.

Among white goods manufacturers Boreo Dean recently announced 300 redundancies and Thorn Domestic Appliances has brought in some short-time working.

White goods manufacturers are becoming increasingly anxious at the tide of imports, some particularly low-priced goods from East European countries. Imports now account for nearly 45 per cent of the British market, with the sharpest increase in refrigeration products where imports have seized a 55 per cent market share.

Italy, which has long been a source of low-priced refrigeration products, still accounts for more than half the imports in this sector but its manufacturers are tending to move up market with the hi-priced end being taken up by East European makers. Last year Hungary's exports to Britain of refrigerators jumped 154 per cent and freezers from East Germany showed a rise of 186 per cent.

The East European threat to the vacuum cleaner market, hitherto dominated by British manufacturers, continues to grow. Imports overall now account for 51 per cent of this market.

Strength of sterling means all imports can compete more easily in the British market while the United Kingdom has a more difficult time promoting exports which last year showed a 7 per cent volume decline.

But AMDEA yesterday reported an improvement in United Kingdom export performance in some sectors, with combined fridge-freezer exports in the first quarter showing a 32 per cent increase while automatic washing machines and tumble dryers were up 21 per cent and 10 per cent respectively.

Mail order advertisers oppose legal controls

By Robin Young

Consumer Affairs Correspondent

Proposals to provide statutory support for the self-regulatory system of advertising control are potentially dangerous, the Association of Mail Order Publishers told Mrs Sally Oppenheim, Minister for Consumer Affairs.

Mr Victor Ross, the association's president, said that only a few advertisements breached the code of advertising practice and that most of these were technical infringements unsuited to legal action.

He suggested that the working party on self-regulation of advertising control, which recently reported that the director-general of fair trading should

be empowered to seek injunctions against misleading advertisements, had been "unduly influenced by a desire to meet the requirements of the EEC draft directive on unfair and misleading advertising."

Mr Ross said: "This is quite improper because the requirements are in breach of Article 189 of the Treaty of Rome which precludes directives from specifying the means by which member states are to achieve its objectives."

He said that the working party proposals did not suggest that the director-general collaborate with the Advertising Standards Authority. "The whole self-regulatory system could be undermined and wrecked."

British Steel wins £11m South Korea contract

By Peter Hill

Industrial Editor

The British Steel Corporation has won a contract worth £11.7m to supply steel to South Korea on the same day as the announcement that private and public sector steel output soared in May, the first full month of production after the strike.

Despite a misgivings about the difficulties of maintaining a presence in export markets, British Steel will supply 60,000 tonnes of sections, to South Korea which during the Steel Strike emerged as a prominent exporter to Britain.

The steel will be used in the construction of the third and fourth phases of the Seoul subway system.

The steel will be produced at the corporation's works at Scunthorpe, on Humberside, and at its Teesside complex. Deliveries are scheduled for between August this year and May 1981.

Although production last month averaged 353,000 tonnes a week, a rise of 42.9 per cent on the previous month, total United Kingdom output was still 19.3 per cent less than in the corresponding month last year.

The corporation and the British Independent Steel Producers' Association said that output during May was affected by the spring bank holiday and by technical difficulties in the restarting of the large number three blastfurnace at the Llanwern works which had been shut down during the strike.

Two years ago the corporation supplied about 6,000 tonnes of steel for the first phase of the Seoul subway project. The Export Credits Guarantee Department will provide a five-year supplier credit through Lloyds Bank International. Lloyds will refinance the loan through the Eurodollar market for a further five years.

Disclosure of the Korean export contract will please executives have been stressing the difficulty of exporting because of the high price of British steel compared to the prices of European competitors. High prices have been exacerbated by the strength of sterling.

The attitude of the corporation towards export markets, said Mr Ian McGregor, the chairman designate, will be emphasized will continue to be of importance to the corporation, will be the subject of questions from MPs next week when the Select Committee on Industry and Trade received evidence from the corporation as part of its inquiry into why British industry does not export more and import less.

LETTERS TO THE EDITOR

Moonlighting employees' share in the 'black economy'

From Mr Leonard F. Payne

Sir, Like most students of the "black economy", Margaret Stone (May 30) ignores the moonlighting employee and concentrates on the self-employed.

There are less than two million self-employed people but well over 20 million employees and further millions of economically active students, pensioners, housewives and unemployed. If we, the self-employed, are entirely responsible for the black economy, then, on Sir William Pile's figures we are each not declaring £6,000 every year.

This is manifestly not the case and I would contend that the bulk of the black economy is run by the moonlighter and not the self-employed.

Margaret Stone refers to the in-depth tax investigations to which the self-employed are subjected and comments on a "high" success rate of 80 per cent. This figure is grossly inflated by many factors, the main one being that the cost of fighting such an investigation is often more than the amount of tax disputed—hence the trader pays up regardless of guilt.

A different way of looking at this figure is to say that it represents a 20 per cent failure rate. If the self-employed failed to deliver the goods 20 per cent of the time they would soon go out of business!

The National Federation of Self-Employed and Small Businesses has been pressing the Revenue for over two years to launch in-depth investigations.

Proficiency in warship building

From Mr L. Copestake

Sir, Submarines from Cammell Laird command the confidence of all those who sail in them and who maintain them in service. This applies equally to the long line of diesel electric boats built since the war and to the more nuclear boats built between 1964 and 1971.

The natural advantages of the Merseyside yard have since been enhanced by a covered construction hall. At present these facilities are being ingeniously applied by a team of enthusiastic shipbuilders to speed up the outfitting of the two destroyers now under construction for the Royal Navy. Both are well ahead of their building programme. The same techniques can be applied to the construction and outfitting of nuclear submarines.

The problems of building at "follow yards" to drawings prepared at a "lead yard" have been solved by experience and close co-operation with the level between technical staffs. These contacts have been kept up and the techniques improved during the destroyer programme.

Cammell Lairds proved well able to meet the welding problems of the pressure hulls and nuclear reactor circuits. They have since developed their procedures on specialized merchant vessels and oil rig work. In Cammell Laird the country retains an invaluable facility for building warships, submarine or surface. To resume nuclear boat construction would require some outlay but far less than would be needed anywhere else.

At present the labour force has been run down and facilities are under-employed. The Birkenhead area retains its ability to attract the necessary skilled men to exploit these facilities to the full.

The spirit and resources at Cammell Laird are ready to accept any demand from the naval programme for that programme may take.

There are good young men now in the training school and plenty more waiting to join when the company wins the orders its recent performance merits.

L. G-PESTAKE, Engineers and Managers Association, Cammell Laird Shipbuilders Ltd, Birkenhead, Merseyside.

Discounts for cash

From Mr M. McEwen Charlish

Sir, A number of departmental and chain stores in high street shopping centres in this area are offering "interest-free" credit for purchases of a stated value of goods. In these days of very high interest rates such offers would not seem possible except by marking up higher prices than need be or at the expense of those customers who pay immediate cash on purchase, or by a combination of both.

It would seem to be only fair trading for customers paying immediate cash to be offered a discount. Prices at higher levels than need be and goods bought on credit aggravate inflation. A course of action available to a cash customer is to accept the credit scheme and to pay by instalments. However, he may well have strong objections to disclosing his personal financial affairs to a credit referral agency and to possible consequent hazards.

The company from whom I rent my television set grant a discount when I pay a year's rental in advance. If that rental company can offer discount for immediate cash, why not the high street traders? Yours faithfully, M. McEWEN CHARLISH, 312 Park Lane, Carshalton, Surrey SM5 3DT, June 10.

tions on employees and others in society. Their only response to date has been a tax amnesty for 6,000 print workers, an amnesty which we are challenging in the courts.

If the Revenue were to use the same tactics on employees as they do on the self-employed then we would, I believe, be rehabilitated as tax saints.

Yours faithfully, L. F. PAYNE, National Vice-Chairman, National Federation of Self-Employed and Small Businesses Limited, 45 Russell Square, London, WC1.

From Mr Henry Law

Sir, The "black economy" is surely a misnomer for what is really a remnant of the free economy, where men could produce and exchange goods and services free of the shackles of punitive taxation. Much of our system of raising public revenue has all the features of bad law: as a tax on labour it is basically unjust, it is weakened by loopholes and unenforceable.

Well into the nineteenth century, it was considered impossible to establish a man's true income. It is very difficult to give a value to payments in kind and many people, council tenants for example, are by virtue of these circumstances effectively in receipt of substantial additional income. It would, of course, be politically unacceptable to assess this for tax.

The black economy is likely to grow and this should not be regarded with equanimity.

Fantasy world of profit

From Mrs Elizabeth Parsons

Sir, Professor Pearce (June 5) suggests that the solution to inflation is for employers to stop making pay rises.

Many high wage claims over the last few years have been justified on the grounds that profits are increasing and therefore employers can afford to increase wages. But increasing profits are an illusion. Company accounts prepared under the historical cost convention give an unreal picture: in one recent annual report profits after tax appear as £16,471,000, an increase of 11 per cent over the previous year. But when inflation is taken into account the profits are reduced by 40 per cent. Thus, in real terms, instead of an increase there was a fall of 33 per cent.

Company accounts for 1980 will have to be prepared on a current cost basis. Already some companies are using the new method either by side with the old. For one such company the 1979 operating profit of £64m calculated on the historical cost basis becomes a loss of £6m on the current cost basis.

Sooner or later we abandon this fantasy world of unreal figures and let the picture emerge: a picture must be under the trade unions. If the wage settlements are an important single cause, then the sooner done the better.

Yours faithfully, ELIZABETH PARSONS, 18 St James Mansions, West End Lane, London, NW6 2AA, June 7.

Fairness in taxation

From Mr David G. Lindsay

Sir, If Mr Frank Snowden (June 9), a bachelor, really believes in fairness in taxation, he would surely approve a standard tax allowance for everyone—married, single, male, female, young (perhaps marginally smaller for the very young), old, earning or non-earning? As a family man I would willingly give up the married man's extra allowance if my wife and three teenage children could each have allowances equal to Mr Snowden's and set against the family income.

The case for fair tax allowances is unanswerable and the EEC budget gains provide the opportunity.

Yours faithfully, DAVID G. LINDSAY, 36 Ovington Road, Whitechurch Hill, Reading RG8 7QL.

Consolation

From Father M. C. Fisha

Sir, Into this material world I came with nothing at all. Thanks to the Inland Revenue, the state office values my sorted governments, the wife and five children, two dogs, four cats and 25 goldfish I will certainly leave it the same way.

However, thanks to your excellent reporters I will at least know why I am entering into perpetual poverty. M. C. FISHER, 32 Orlands Avenue, Bar Hill, Cambridge, June 2.

IN THE MATTER OF THE COMPANIES ACTS 1947, 1967, RULE 106 OF THE COMPANIES (WINDING UP) RULES, 1949 AND IN THE MATTER OF THE TYNE INVESTMENT TRUST, LIMITED

1 Pursuant to a scheme of utilisation, notice is given that on 12 June 1980 Peter William Barrows, Dennis William Tyson both of Sun Alliance House, M Street, Newcastle upon Tyne, NE99 1PL, were appointed Joint Liquidators by the members of the company.

2 In accordance with the scheme proposals the Liquidators, on 1 July 1980 will declare a distribution of 100p in the pound to all classes of creditors of the company.

3 NOTICE IS HEREBY GIVEN that the Creditors of above-named Company are required on or before 1 day of June 1980 to send their names and addresses of the particulars of their debts or claims, and to state any title they may have to priority, and to send the names and addresses of their Solicitors, if any, to Peter W. Barrows and Dennis William Tyson of Sun Alliance House, Mosley Street, Newcastle upon Tyne, NE99 1PL, the Liquidators of the said company or in default thereof they will be excluded from the benefit of the distribution referred to in 2 above, and if so required by notice in writing from the said Joint Liquidators, are by the Creditors, or personally, to come in and prove their debts or claims, or to establish any title they may have to priority, at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before debts are proved.

Dated this 12th day of June 1980.

P. W. BARROWS, Joint Liquidator

Encouraging trend for Hintons in second half-year.

Extracts from the Chairman, David Hintons Review

As expected, the second half-year showed a more encouraging trend in the Supermarket Division, where the implementation of the Company Plan is producing significant benefits. Improved productivity has reduced the impact of higher wages, salaries and Employer National Insurance contributions. Contrary to expectations, the steel strike during the last quarter had little impact on our sales, and stock availability was maintained through careful forward planning.

On the whole however, the year's results are disappointing with other trading areas performing less well than anticipated. Costs have increased sharply, particularly Rates, Gas, Electricity and Diesel fuel. The depreciation charge has increased from £540,000 to £771,000. This arises from the big investment made in conversion and upgrading in the stores, computer development and the high cost of equipment replacement throughout the Group.

Nevertheless, we are encouraged by current sales performance. Our investment in time and money over the

past two years is paying off in terms of improved productivity. This has meant doing things better (which may mean differently) and measuring the effectiveness of such changes. We have been greatly encouraged by the response of our workforce to the need to step up productivity in both Store operations and in Distribution (warehousing and transport).

The Group faces a year in which cost-inflation will be greater than that on the products we sell. Nobody can be sure what the decade holds for us all, but it is certain to be a period of further substantial change in retail techniques. We shall not be left behind.

Hintons

Food and drink retailers in the North-East of England

To receive your copy of the 1980 Report simply return this coupon to: The Secretary, Amos Hinton and Sons Limited, PO Box 24, Master Road, Thornaby, Stockton-on-Tees, Cleveland, TS17 0BD

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BY THE FINANCIAL EDITOR

Investment trusts seek a scapegoat

A past few years the investment trust has been at least one of the most popular of investment vehicles and started arguing for their existence. Their arguments are good, notably those based on the trusts' performance, which on average has been better than that of companies represented in the FT-Actuaries All Share Index, specific cases—most of the trusts Philip Hill and John Govey, US re, Electra, Globe—have been spectacular.

Of the arguments are not so good: of them was advanced by the new 1 of the Association of Investment Managers at the launch of the latest the Investment Trust Yearbook.

Mr said that he had little sympathy investment trust shareholder who, after his purchase, starts clamouring for a dividend or a share.

Just another form of asset stripping. The last time the United States experienced a recession in an election year, in 1980, the party in power in the White House was ousted. So President Carter has caused to be anxious as he looks towards polling day in November.

He says that the "tide is turning" and Mr William Miller, the Treasury Secretary, asserts that "the worst is behind us". In fact, the slump could well go far deeper and run for longer than the Administration's optimistic predict.

The slump is whether the President will switch horses from anti-inflation policy to economic stimulus. Such a switch could produce the sort of short-term benefits that would help him in the campaign, but it could also undermine efforts to secure price stability.

In the past five business downturns in America the Government's composite index of leading economic indicators has registered its sharpest falls at least one quarter before the steepest drop in real gross national product. The index is widely viewed as the best statistical guide to the economy's short-term path.

Last month the index fell by a record 4.8 per cent. The slump is in the third quarter of this year will increase the pressures within the White House for stimulative policies. In April unemployment rose by 1 per cent to 7.7 per cent and in May by another 0.8 per cent. A similarly large gain this month will send sharp signals into President Carter's oval office.

As it is, Americans are showing increasing signs of despair. In the case of the black community, especially among urban blacks, angry blacks bled and threw bottles at President Carter's car on Monday when he visited Miami. According to the private New York Conference Board group's latest survey, "the loss of confidence in the President in the last two months has been of record magnitude".

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But for the time-being cash generated by the ex-growth battery interests is not enough to enable the group to stand still, let alone to supply lifeblood for new developments.

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falling demand for "ambient" (room temperature) cake leaves something to be desired.

But fresh milk products are filling the gap. Demand for cream cakes and trifles is growing fast, and the group is selling its gifts portfolio and casting about for cash acquisitions to top up its presence in that market, as a "much cheaper way of getting manufacturing capacity" than building its own. Clearly a share to stay with.

Chloride In need of a recharge

Motor industry recession, a mild winter and destocking by distributors combined to send the car battery market into a state of virtual collapse in the second-half of last year.

As a result Chloride Group is suffering badly despite reasonable buoyancy in industrial markets. Profits have plunged from £29m to £18.7m—after the £2.7m cost of 700 redundancies in the United Kingdom—and the dividend has been cut for the first time in memory to preserve precious cash.

Worse still, the outlook for the first-half of this year looks if anything grimmer and with over-capacity still dogging the European market hopes of a second-half improvement are faint.

Stepped for bad news, the shares held steady at 47p—a penny above the year's worst—where a yield of more than 12 per cent and p/e ratio of over 8 neatly focus on the investment dilemma.

Long-term this rating could look cheap assuming that car battery demand must recover eventually and given Chloride's potentially exciting developments in the general electronics and battery-powered vehicle field.

But for the time-being cash generated by the ex-growth battery interests is not enough to enable the group to stand still, let alone to supply lifeblood for new developments.

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Hill Samuel Recovery potential

The results from Hill Samuel hold no surprises. Net profits after transfer to surplus reserves are marginally down at £7.7m before extraordinary items.

The non-recurring items include £1.7m of exchange losses on capital assets which could as well have figured in adjustments to reserves and £969,000 of the costs of moving the insurance broking subsidiary to Swindon.

While banking profits are up by a useful 51 per cent at £6.9m, other major components of the group have fared significantly less well. The worse off is the insurance broking division which reports a loss, before the costs of transfer to Swindon, of £1.5m as against a notional loss of £1 last time.

Half of that is mostly non-recurring and dates back to bad debts incurred some years ago when Hill Samuel undertook some re-insurance contracts for which it could not collect the money. The rest is due to poor trading.

Now that the insurance broking side has been completely revamped a significant turnaround is likely, though whether the full £1.5m can be clawed back into profits this time is still a moot point.

Hill Samuel has had a drab performance over the past few years. The question now is whether the new management team headed by Sir Robert Clark and Mr Christopher Castleman, will do better.

On the assumption that that is the case and with some recovery on the way this year, and probably more to come after that, the shares at 94p look good value for the longer term with a yield of nearly 9 per cent an added attraction.

There is also, of course, the possibility of a takeover (identified by Merrill Lynch's abortive approach the other day) at much higher levels than the current price.

Washington

The last time the United States experienced a recession in an election year, in 1980, the party in power in the White House was ousted. So President Carter has caused to be anxious as he looks towards polling day in November.

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Pressure is growing for stimulative action as America's recession begins to bite

The President: so far, saying and doing the right things.



several points were due to the price rises introduced by the Organisation of Petroleum Exporting Countries late in 1979 and several more reflected the rising costs, thanks to interest rates, of home financing.

Now the interest rate and Opec shocks have partially been digested and consumer prices are rising by a more modest amount. Substantial wage rises and food and other price increases will ensure that the inflation rate will hover around 10 to 12 per cent for most of the rest of this year. If there are no new stimulative measures and no oil price shocks the rate could be in single figures as 1981 starts.

But stimulative action by the Carter Administration could easily unleash a new bout of "inflation psychology". A big tax cut proposed by the White House and adopted by Congress could convince foreigners that the United States is not serious about fighting inflation, the dollar could fall and this would simply mean even higher American inflation to come. Many Americans, seeing yet another huge budget deficit emerging, could also go back to their high spending habits and so drive prices up.

So far the Administration is saying and doing the right things. It is fighting for a tight budget and protesting even more loudly that there will not be any imminent tax cuts. But increasingly there is talk in Washington of how the Fed ought, perhaps, to ease its policies and how, perhaps, a \$16,000m to \$24,000m tax cut in September or October might be useful.

Time and again the record of the Carter Administration has been one of following the opinion polls. There is a look as if short-term political popularity could be won and ignored longer-term matters. On the basis of that record the possibility that the recession could lead the White House on to a stimulative binge cannot be ignored.

Technology

How two big radar orders went abroad

Five months ago a leading British electronics company gave warning that two important United Kingdom radar orders were likely to be lost to foreign competition. This prediction proved accurate as the radar hardware itself was required to be, for the hostile intruders have indeed penetrated the defences of the indigenous industry to reach their targets in the United Kingdom market.

At the beginning of May the Civil Aviation Authority announced a £9.7m contract for air traffic control radar with Hollandse Signaal Apparaten, a subsidiary of the Dutch Philips group. Last week the Ministry of Defence confirmed that two transponder "three-dimensional" radars for Royal Air Force stations at Buchan and Benbecula in Scotland, are to be supplied by General Electric of the United States.

The technology that translates the reality of aircraft in the sky into blips on a small screen is a demanding and complicated business. Lacking the glamour of the more spectacular examples of microelectronics, radar none the less combines advanced microelectronics with heavy engineering: advanced computer-based processing with high-power electronics.

There are two types of radar, known respectively as primary and secondary. Primary radar, which emits a continuous energy wave sent out by a transmitter and reflected echoes from the aircraft are received back at the radar station. These are processed to give the picture on the screen and the precise location of aircraft position and speed.

In secondary radar, a device known as a transponder on board the aircraft responds by transmitting coded pulses which give additional information such as the identity and height of the aircraft.

Though the principle of operation is the same for both military and civil radars, in practice there are basic operational differences which affect the design. In civil air traffic control the aim is to maintain a separation between the aircraft, which themselves are actively cooperating in that separation. In other words, it is to keep the blips on the screen apart.

In defence radar the aim is to bring the blips together—to effect an interception between the attacking and the defending aircraft. Not only is the attacker not cooperating but he is doing all he can to jam the radar, avoid detection and in general make life difficult for the defender.

Thus defence radar systems need clever anti-jamming techniques, such as the ability to hop rapidly from one frequency to another during operation. This further refinement of design tends to be reflected in extra cost.

So much in summary for the technology; the real world of international competition is not so straightforward.

The Civil Aviation Authority says that its policy is to buy British wherever practicable, even if this means paying a little more. But in the recent competition for replacements for old primary and secondary radars covering east and south-east England and the southern part of the North Sea, it argues that it was the critical time factor for deliveries (of equipment of assured performance) that ruled out the combined bids, offering two options, which were put in by Philips and Marconi.

Not that the issue was a clear-cut, unchanging requirement which the British companies failed to meet. The basic specification was a demanding one, but the sequence of events included a major change to incorporate military as well as CAA radars, (together forming part

The recession started when the consumer's nerve finally gave out. The rapid rise of inflation in 1979 produced what is now referred to as an "inflation psychology". Americans built up debts and reduced their savings, fearing that goods would be more expensive tomorrow. But the debt burden grew too heavy, the cost of borrowing became too great and inflation started to bite severely into real incomes.

The spending boom seems to have largely exhausted itself by January. But the picture was not so clear in March and it was partly the fear of the inflation psychology running mad, pushing up inflation rates substantially, that prompted the Federal Reserve Board to impose credit controls on March 14. The controls crushed the spending bonanza that had, in fact, already started to run out of steam.

One was, of course, many other reasons for the recession. The car industry took a beating

it will never forget when Americans decided to reject Detroit's petrol guzzlers for fuel-efficient German and Japanese cars. The housing industry went into a tailspin as interest rates rose and many mortgage lenders decided to close shop and leave for the Florida sun until interest rate sanity was restored.

Fortunately, retailers and wholesalers had long expected a slowdown in consumer demand and had accordingly kept their inventories at reasonably modest levels. A major adjustment in business stocks has so far not been necessary and this has ensured some support for the economy. But the continuing decline in consumer spending will soon force some cutting of inventories and this is one reason for suggesting that the slump will still go deeper.

Capital spending has held up well, but the severity of the recession is bound to chip corporate profits and force

many manufacturers to review their plans for purchasing plant and equipment. The Commerce Department's latest survey, published on Tuesday, suggests that business spending this year will rise by 9.9 per cent. The last survey, taken in March, showed an expected 11.1 per cent rise.

It seems likely that the coming months will see the recession broaden from the consumer through all sectors of the economy. The Federal Reserve, for the moment anyway, does not seem willing to ease its policies and greatly increase the level of bank reserves. It is unlikely to bow to political pressures in the short term and it is to the White House and Congress that people must look for new measures to get the economy moving again.

The slump is relieving inflationary pressures. In the first few months of this year consumer prices were rising at an annual rate of 18 per cent, but

funding for these radars, which in turn has proved to be bad news for the British industry.

No national preference is possible in the case of Nato contracts. A fixed form of assessment is laid down, which must be precisely followed. There is a rigid separation of technical and cost factors and no discretion is allowed in the final selection.

What happens is that a detailed technical assessment is first made to determine "compliance"—to check whether the proposals comply with the technical specifications laid down. Those which do not comply are eliminated from the competition, although a form of appeal is possible.

Only when the final list of "compliant" bidders has been established are the envelopes containing the respective price bids opened. The result is then absolutely clear—the contract must go to the lowest bidder.

In the Scottish radar bids, Westinghouse was eliminated because its proposal was judged not to comply with the specification. General Electric's was the lowest bid among those which did comply, so beating Marconi, Hughes Aircraft of the United States and a joint Anglo-American proposal by Plessey and IIT-Gatlin.

Although this particular order is for only two stations, it is the first stage of a three-part programme which will involve 12 Ministry of Defence radar stations in the United Kingdom.

The implications of these two decisions for the United Kingdom electronics industry are serious. "The Buchan and Benbecula award, coupled with the recent CAA decision to purchase foreign radars, must establish undesirable precedents", Plessey commented earlier this week. "In common with the rest of the British defence electronics industry, we must register deep concern".

It is inconceivable that the French or United States Governments would allow foreign radars to be bought for their national defence networks, the company says. And the effect of the British Government purchases of these foreign systems is damaging to the credibility of British industry in other world markets.

No value has yet been quoted for the Ministry of Defence orders for the two Scottish radar stations, but another set of complications apply in this case. In order to maintain the cost the MoD opted for Nato

previously placed with Cossor for secondary radar, AEC-Telford for primary radar, and Marconi Radar Systems for remote-control and monitoring equipment.

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Mr Horsley, chairman of Northern

less, with trading profit growth cent from the British operations. The firm stage, and pre-tax profits of £12m, Bluebird should be £6m-£7m to this year's trading. A providing the other interests in first-half growth, full-year pre-tax should top £32m against last £4m pre-tax.

ves plenty of scope to repeat the dividend's 21 per cent increase at stage, and still maintain last year's cover. With the shares at 134p, effective yield then is 5.8 per cent. ly-taxed p/e ratio of nearly 12— at reflect the group's astonishing up 1970 when pre-tax profits were 2.

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Business Diary: The King and HI

at things in this partner of Tennessee, as is concerned, have little to do with the Mississippi which the city turning it y and convenient up from New Orleans. cotton shipping business to thrive as bust on the back of the American textiles

st recent innovation bean business occurs years ago when the a spacious local manse and died. Elvis ten 42, may not have yone's taste in music, with his fame at the t lives on, and prove larger.

his demise, Memphis notably unsuccessful ting tourists in the t of numbers as its famous Tennessee rt Nashville, another onomous with popular

three years since Presley the city has seen three visitors pour in solely he shrine of the man ed the King of Rock

e the Presley manston d "a kind of souvenir ble type of memento the dead star's name. us an article and we Presley on it," Eddie



Holiday Inn's Eric Bernard: advantages of being number one.

request—not a penny from the will. The wealth of the singer's estate probably explains why the Presley family have turned down an offer from Memphis City Council to buy the whole of Graceland and turn it into a tribute to the king.

The city council plan would have removed one of the causes of annoyance to the fans: the mansion remains locked and inaccessible. Those who trespass on the private drive risk having their cameras and film seized never to be returned.

The city fathers offered \$11.7m, considering that Presley paid \$100,000 for the place in the late fifties, represents a pretty reasonable profit. But the answer from the family was a swift refusal.

Such setbacks do not deter the likes of Eddie Lubiani. Next year Lubiani and associates are organizing a Presley convention. In order to win support for his convention, Lubiani is going round pouring cold water on this year's convention. Elvis Expo '80, with which he is not associated.

"These guys (the Elvis Expo 80 organizers) just do not know the market—they are charging too much", says Lubiani who likes to tell people that he is a former CIA man and was the first person to graduate from that well-known academic institution Memphis State University with a degree in tourism.

"

FINANCIAL NEWS

Stock markets
Bargain hunters come out in force

It was a mixed day, with buyers going into the market early on the hope that the economic news and been discounted. But the absence of sellers kept equities prices at the higher levels. As a result, jobbers were marking stocks higher, and even when trading went a little easier, buyers at the cheaper end came out in force.

Profit taking also started a little earlier than usual, with the last day of the account today, but jobbers were able to absorb much of this with the recent improvement in the market's performance.

The rise in the bullion price helped gold shares after an easier opening, while companies' results provided additional interest across the board. Government Bill in the House after investors' initial hesitations were overcome, and encouragement was derived from the Prime Minister's speech on "no U-turns" for the economy. Longs, which were led by the shorter-dated stocks, went £1 better by the close with reasonable demand and little selling. Shorters remained flat, with gains of around £1 and £7/16, encouraged by further prime cuts to 12½ per cent from the United States. After-hours prices eased £1/16 in a few shorter-dated loans. Equities showed signs of drifting by the close with the FT Index at 448.5, up 1.6, although it had seen a gain of 4 points to 450.9 earlier in the day.

Leading industrial stocks moved up a few pence, although Bechams dipped 1p to 135p after news at its price rise had been absorbed. So did Rank at 195p, in the aftermath of its film production losses. Unit lever fell 5p to 446p, mainly in after-hours trading. ICI gained 2p to 370p, along with Glaxo at 210p, while Fisons added 5p to 255p. The Far Eastern buyers in Dunlop brought in some London investors which pushed up the share price by 1p to 72p. BAT Industries and Distillers gained 3p and 5p to 256p and 201p respectively, but the general feeling was that price rises were

Investments added 4p to 268p and GKN advanced by the same to 240p. Dowty also gained 4p to 192p. In electricals, Racal's results next week added 4p to 250p, while Farnell's annual meeting added 10p gain to 286p. MOK Electric, which is also due to publish figures next week, added 5p to 178p while GEC moved up 1p to 367p. Plessey dipped by the same amount to 152p.

The prospect of results today also helped Arthur Guinness by 4p to 98p, while Allied Breweries rose 1p to 85p. Whitbread was unchanged at 138p. In foods, Northern Foods gained 4p to 134p on its half-time results, and encouraging trading statements helped Saatchi and Saatchi, which its 25 per cent increase in the interim dividend, to put on 8p to 183p. Staveley Industries rose 2p to 196p after full-year figures, and UKO International advanced 9p to 124p. Chloride was unchanged at 4p as its expected profits setback had already been discounted. BHL

closely linked with stock shortages which have persisted all week. The possibility of a second Finance Bill in the autumn, which was not discounted by Sir Geoffrey Howe in a speech yesterday, helped engineering stocks, although dealers thought any changes could be double-edged swords. Metal Box's results on advance 14p to 296p, while Tube

Samuel gained 2p to 94p after the figures. Much of Lee Cooper's recent losses were wiped out with a 23p rise to 206p, while Polly Peck moved up 6p to 65p. MAMS' announcement that it was diversifying into fast foods added 2p making 136p, and George Ewer's price continued to move ahead to 561p, putting it 4p above T. Cowie's offer

Northern Foods says it is still not planning to bid for food group Avon, in which it has a long-standing 10 per cent stake. Offers of Avon, wishing to acquire shares at a reasonable price will not be rejected out of hand, however. The shares rose 3p to 128p yesterday.

price. T. Cowie itself gained 1p to 36p. Demand for European Ferries pushed the price up to 31p to 154p while Marshall Cavendish fell back by 5p to 18p after the latest Rowe and Pitman down raid. The resignation of Mr Mervyn Fogel from Home Charm pushed the

share price 2p down to 93p but results next week for National Carbonding boosted it 3p to 139p. Associated News was hoisted 15p to 305p by excitement with its Bruce Field drilling programme. Elsewhere in newspapers the International Thomson shares dipped 5p to 359p and News International returned from a three-week suspension at 190p—up 27p on the bid terms from News Corporation.

Godfrey Davis was suspended at 166p as the Minneapolis Commission announced, although it may be requested this morning. The little nervous selling at first. The decision of Opec made little impact, according to dealers who witnessed end-of-account selling. The feature of the day was Berkeley Exploration's 20p gain to 223p, which was prompted by rumours of a find on Block 16426 as the new-time buyers came in during the afternoon. BP closed 4p down at 370p, with Shell losing 2p to 404p. Ultramar gained 6p to 366p while Tricentral dipped 2p to 374. Lasso lost 7p to 638p and Burmah fell back 1p to 218p. Cellulose Capel lost 3p to 132p, while Imperial Continental Gas reporting next month, gained 12p to 886p.

Mines benefited from the gold price, which finished at \$591, and suspicions that stamp duty had been abolished in South Africa, although gains were small. Equity turnover for June 11 was £95.692m (number of bargains 14,017). The most active stocks according to Exchange Telegraph were ICI, Coral Leisure, and Imperial Continental Gas. Turner and Newall, National Carbonding, Marks and Spencer, BAT, Ultramar, BP, Barclays, Hanson Trust and GEC.

Latest results

Company	Sales	Profit	Earnings	Div	Pay	Year's
British Cinema (F)	3,613,211	0.08(0.1)	2.1(1.75)	2.1(1.75)	1/3	2.1(1.75)
Brit & Commonwealth (F)	292,025(1)	28.6(26.6)	9.06(11.80)	7(5.8)	1/8	12.5(10.6)
Telecom Int'l (F)	9,556(6.37)	4.52(3.63)	16.54(12.43p)	7.0(5.5)	4/8	12.5(9.65)
Chloride Group (F)	386,124(6.1)	11.7(12.9)	5.8(13.8)	2.3(4.6)	12/8	4(6.1)
A. Chase (F)	33,194(7.8)	1.7(1.8)	65.8(26.3)	4(8.2)	2/8	6(6.2)
Crosby Spring (F)	10,610(0.05)	0.67(1.01)	0.63(0.55)	0.6(0.55)	26/7	0.67(0.79)
Swire Group (F)	8,616(5.9)	0.27(0.62)	3.59(13.05)	0.24(0.22)	31/7	0.24(0.22)
Electra Int'l (F)	6,615(5.8)	1.1(0.12)	15.2(14.4)	3(0.1)	28/7	5(1.03)
Jos Finlay (F)	93,3(85.1)	0.92(0.77)	11.9(12.05)	2(0.14)	28/8	(4.5)
Thos. French (F)	8,9(7.3)	7.7(7.7)	7.7(7.7)	5(4.74)	—	8.4(7.6)
EMI Samuel (F)	25,2(21.8)	14.8(12.0)	7.68(6.4)	2(0.165)	29/8	3.25(2.8)
Northern Foods (F)	2,011(17.0)	0.91(0.12)	16.3(14.52)	3(2.126)	27/7	3(2.126)
Scott's Restaurant (F)	2,011(17.1)	7.31(11.2)	41.7(62.5)	8.5(7.5)	4/8	13(12)
Telecom Int'l (F)	175,5(154.1)	2.6(1.29)	0.27(0.19)	0.27(0.19)	31/7	0.27(0.19)
The Times Yr (F)	0.61(5.20)	0.21(4.2)	19.67(16.48)	6(0.166)	—	6(0.166)
UKO (F)	51,1(45.6)	3.67(3.36)	1.83(0.8)	4.08(3.3)	31/7	(—)
EMI Sam (F)	32,1(13.8)	2.32(1.4)	17.6(14.5)	1.83(0.8)	—	2.66(2.06)
Valor (F)	50,3(42.1)	2.32(1.4)	17.6(14.5)	1.83(0.8)	—	2.66(2.06)

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.428. Profits are shown pre-tax and earnings are net. * Gross revenue. † Attributable earnings. ‡ After tax.

Staveley finishes
at £7.3m after
dismal first half

By Peter Wainwright

Pretax profits at Staveley Industries dived from £5.43m to £1.53m in the first six months, catching both the Staveley management and the market off balance. But in the full year to March 31 pretax profits were £7.3m against £11.25m, a fall of only 35 per cent.

Having fallen so unexpectedly once, Staveley is shy of counting the stones in its path now. But at least £10m for this year seems possible.

If all goes reasonably, Dr Adolph Frankel, the chairman, should be able to buy a company or two in the coming months because the group finished the last trading year with a debt of only 31.2 per cent of shareholders' funds, virtually the same as the year before. Asset value a share rose from 285p to 292p.

The ministry of the business is still the extraction of salt in Cheshire (ICI is the only competitor) and the quarrying of limestone and aggregates for construction and roads. Within

a group turnover of £175.6m mineral products account for only £26.7m, but this category is far the largest trading profit contributor with £6m against £4.97m. (The total was £10.28m).

Management attributes the progress to successful cost cutting after installation of new plant. North American profits also rose well, from £69,000 to £1,560, thanks to acquisitions. Everything else fell in varying degrees.

This year Staveley's luck should change. Last year electrical and mechanical services plunged, but only because of a bad debt from a Middle Eastern customer. The slide into loss in foundries reflected steel and engineering troubles and plant closures, while machine tools could not buck an industry trend.

Confidence is indicated by the decision to raise the ordinary dividend by 5 pence to 13 pence (or to 18.5p gross) where it is comfortably covered by earnings of 41.7p

James Finlay £1m lower

By Our Financial Staff

Traders and financiers James Finlay saw pretax profits fall from £12.1m to £11m in 1979. Turnover rose from £85.1m to £93.3m.

Trading profits fell from £10.6m to £9.8m after charging interest of £3m and realized exchange losses of £1m. Net gains on sales of investments of £2.25m were credited at the trading level.

profits fell from £1.5m to £1.2m. However, net profits rose from £5m to £5.9m thanks to a substantially lower overseas tax charge. There is an extraordinary item of £477,000 relating to unchanged exchange losses which leaves attributable profits at £5.4m against £4.9m.

There is a second interim dividend of 4.3p gross, making a total for the year of 8.2p against 7.2p last time. The shares were unchanged at 101p yesterday.

Briefly

Brent Walker: Turnover year to December 31 £11.1m (£8.8m). Pretax profit £50,000 (£62,000). Earnings per share 14.58p (6.43p). Dividend 2.5p (2p).

British Car Auction Group has declared an interim dividend for half year to January 31 of 1.25p net per share (1979—4.67p net).

BICC: Under acquisition of Vero Group the further payment of a maximum of £1.3m has become payable to former shareholders of Vero Electronics. This to be satisfied by payment of £737,000 cash and balance in shares.

Belhaven Brewery Group has completed sale of its Bermudian subsidiary Colonial Cove Hotels to a company set up by Mr Daniel Verner—United States businessman and associates. Total cash consideration £700,000.

Manfield Brewery: Turnover year to March 31, £25.25m (£21.85m). Pretax profit, £4.23m (£3.22m). Earnings per share 13.33p (10.22p). Dividend, 4.4p (4.04p) gross.

Electra Investment Trust: Gross revenue for year to March 31, £5,641m (£5,492m). Group earnings attributable £3,830m (£3,054m). Eps 7.831p (£6.24p). Group net asset value share 155p (163p). Final 4p making 7p.

British Cinematograph Theatres: Turnover for year to Jan 31, £31.61m (£27.27m). Pre-tax profit £86,000 (£146,500). Extraordinary credit £75,000 (debit £77,000) from sale of property. Eps 9.94p (£8.14p). Dividend 3p gross 2.5p.

Grand Metropolitan: Following acquisition of Liggett, International Distillers and Vintners will remain in being, as a wholly-owned subsidiary in the United States and will have management responsibility for the two wines and spirits divisions within Liggett, that is Paddington Corporation and Carillon Importers.

Carlisle Investment Trust EGM and that of Tyneside Investment Trust passed necessary special resolutions to approve and implement schemes of amalgamation in conjunction with target. Schemes have become unconditional in all respects. Carlisle and Tyneside are now in members' voluntary liquidation.

Scott's Restaurant: Dividend for 1979, 4.5p gross (3.22p) for 1979, Turnover £2.01m (£1.71m). Pre-tax profit, £91,500 (£121,000). Eps 16.5p (£14.1p).

"The Times" Vener: Dividend for 1979, 0.6p (0.445p) net. Turnover net of VAT, £5.60m (£5.29m). Pretax profit, £274,000 (£197,000). Eps 2.64p (2.29p).

Drek Group: Dividend £0.242p (0.221p) for 1979. Profit £267,000 (£268,000) including extraordinary item £399,000 after tax. Eps 3.59p (3.05p).

Century Oils has completed acquisition of the HCN de Windt Group for 6.5m florins, satisfied 3p 504,000 shares which have been placed on behalf of vendors. Book value of net tangible assets of de Windt at December 31 1.3m florins and for 1979 pretax profit 2.1m florins on sales of 35.8m florins. Century believes this acquisition will provide further outlets for its products.

Bamfords decision withheld

By Philip Robinson

Gardner Steel, under pressure to withdraw its compulsory winding up petition against collapsed agricultural machinery makers Bamfords, made it clear last night that it will take no decision until after the full meeting of the creditors next Thursday. Gardner, a creditor, for £50,802, lodged the petition on May 23, but it was unopposed at a Bamfords board meeting on May 29, which agreed to have down a major slice of Bamfords' assets to a new subsidiary, Fortlink.

Catering side lifts
UKO to £3.7m

By Our Financial Staff

The downturn in consumer spending has hit UKO International's ophthalmic lens and spectacle frame profits, which slipped 4.2 per cent in the year to March 31.

Fortunately its catering equipment interests recovered from their setback the previous year, almost doubling their pretax profits to £887,000. That gave group pretax profits an overall 9.2 per cent lift to £3.67m.

Sales last year rose by 12 per cent to £51.1m, with turnover in both areas showing an improvement. But the ophthalmic division was hit hard by high interest rates—group charges rose from £1.41m to £2.36m—and by the engineering strike. Competition from imports is creeping up, and an improvement in demand in the second half has disappeared since then.



Sir Ian Morrow, chairman of UKO.

The dividend has been maintained at 13.8p gross, yielding 11.2 per cent at 124p a share. The price ratio on the 20 per cent actual tax charge is 6.0.

The catering equipment side improved its turnover by a fifth, and lifted its earnings by "better management control of contract pricing and the containment of overheads".

RTZ buys
Panamanian
copper stake

By Michael Prest

Rio Tinto-Zinc, the international mining company, has bought 49 per cent of Cerro Colorado, a Panamanian company which has rights to a major copper deposit in Panama.

The stake consists of 29 per cent formerly held by Comedint, the Panamanian government agency, and 20 per cent owned by Texasgulf. RTZ paid Texasgulf, an American company, \$5.5m for the stake and other rights.

Up to \$13m is to be spent on a feasibility study over the next 18 months. If an agreement with Comedint is reached next year, RTZ will meet all costs until development spending is shared in proportion to shareholding. After that it will be divided pro rata.

Texasgulf has an option to take 15 per cent in the agreement. If it does not RTZ will owe Texasgulf about \$2m. Studies to date indicate 1,300m tonnes of reserves with an average copper grade of 0.78 per cent.

Kitchen Queen sells
36 outlets for £2.1m

By Our Financial Staff

Kitchen Queen, the furniture group that came to market 20 months ago and lost £2m in the half year to February 29, has sold 36 of its retail shops to Manchester businessman Mr Stephen Boler for £2.1m and is seeking to change its name.

Mr Len Morris, Kitchen Queen's chairman, said yesterday: "Mr Boler has bought what is effectively Kitchen Queen Ltd and we will change our name as soon as possible. We might be called Moben Kitchens, but we are not sure yet."

Moben was the successful kitchen furniture business bought by Kitchen Queen a year ago for £5m and which formed the only profitable side of group business in the first half of this year.

Mr Boler, aged 35, has bought the three large stores in Manchester, Coventry and Leeds that formed the hub of the original KQ empire, and 33 of the 44 stores that formerly made up the Knott Mill operation, bought by KQ in April 1979.

B & C
Shipping
meets
forecast

By Our Financial Staff

The British & Commonwealth Shipping figures for 1979, forecast last November, can hardly be called exciting. Not surprisingly, the final dividend is 7p net as indicated, and pretax profits do indeed approximate to those of 1978 at £28.64m against £28.88m.

Only the subtraction of £2.29m from the 1978 figure reflecting exceptional currency losses of an associate (expensive borrowing in foreign currencies by Overseas Containers Limited) allows profits before tax to be stated as £28.64m against £28.59m.

For this year too the forecast is one of marking time. It is hoped that profits "will not be too far different from the year under review".

However, the market was conformed enough to raise B & C shares 2p to 300p. Of the various categories contributing to the £15.8m operating profit, air transport (Air UK) and aviation support services (Bristow Helicopters) contributed £9.58m against £14.8m.

Sorting fuel costs which could not be passed on quickly, were largely to blame. Aviation is the major diversification away from shipping, where B & C, once known for Clan Line and Union Castle, made operating profits of 1.67m after losses of £255,000 the year before.

Recovery from recession, though at a slower pace, is expected this year. B & C is also a big shareholder in OCL, whose profits probably will fall this year as a stream of new container shipping comes on the market at a time of sluggish world trade.

The B & C dividend of 12.5p net (or 17.87p gross) is the same payment as shareholders got in the market crash of the Cayzer empire, Caledonia Investments. However, the Caledonia share price is only 260p, 1p up on the day.

Caledonia has 49 per cent of B & C but is, in effect, a special kind of investment trust. Pretax profits in the year to March 31 rose from £3.63m to 4.52m.

Amber Industrial, which also reported yesterday, is a subsidiary of Caledonia but a few shares are still quoted. They rose 1p to 36p yesterday. Pretax profits rose from £391,000 to £394,000.

Cambrian & General Securities: Net revenue for half year to March 31, £293,500 (£286,800). Net asset value a share 113.3p (120.7p).

KLM profits drop sharply

By Our Financial Staff

KLM Royal Dutch Airlines saw its net profits drop to £115m (£132m) in the year to March 31 from £182m a year earlier. Revenue was £120,200, up 14 per cent from the year before.

The airline said it would propose to shareholders to transfer the profits to reserves.

KLM said that profits per share of £1100 nominal were comparing the result per common share figures it should be taken into account that the 1978-79 results were reduced by £15m through payments of dividends to holders of preferential shares.

KLM said that no company tax was due over the profits in 1979-80 because of fiscal compensation possibilities, which amounted to about £120m after March 31, 1980.

Moody's said it had lowered the ratings on International Harvester Credit Corp's four issues of senior debentures totalling \$235m and four issues of senior notes totalling \$325m to BAA from A because the rating service believed the long-term prospects of the credit subsidiary were linked to those of the parent company.

AMEV earnings rise

By Our Financial Staff

AMEV, the second-largest Dutch insurance group, yesterday reported a 19 per cent rise in its net profits in the first quarter to £124.7m (£5.2m) from £102.8m in the first quarter of 1979.

Group turnover increased by 13 per cent in the first quarter to £193.5m from £174.0m in the first three months of 1979. Total sums insured in the first quarter rose to £156,300m from £153,700m.

AMEV said that together with realized gains on investments, profits before tax of its life insurance companies increased by more than 10 per cent.

Lazards' Hongkong deal

By Our Financial Staff

Lazard Brothers & Co has arranged a further ECGD-backed loan for Hongkong's Mass Transit Railway Corp, a HK\$36.7m buyer credit to finance a contract awarded to the Henry Boor-Gammon joint venture for the supply and installation of rail track and foundations for the Tsuen Wan extension and depot.

The funds are to be made available by Wardley and Hang Seng Bank. Wardley will act as manager and agent for the loan.

International

By Our Financial Staff

F13.83, compared with F116.89 in 1978-79. In the year under review, the number of outstanding shares was 3.98m compared with 3.92m a year earlier.

The company said that in

IH ratings lowered

By Our Financial Staff

Moody's Investment Services has lowered the ratings on International Harvester Credit Corp's four issues of senior debentures totalling \$235m and four issues of senior notes totalling \$325m to BAA from A because the rating service believed the long-term prospects of the credit subsidiary were linked to those of the parent company.

As a result the market greeted the figures warmly with the share rising 8p to 183p.

The group appears reluctant to admit how much its prestige was enhanced by the Conservative Party contracts.

But judging by the latest additions to the group's list of clients the benefit seems unquestionable. Among the latest big name companies Saatchi can boast of are Austin Morris, Berger Paints, Berk Pharmaceuticals, British Sugar Corporation and Campbell's Soups. In addition the group earlier signed a lucrative contract with BP.

Daiei issue

By Our Financial Staff

Daiei Inc yesterday announced plans in Tokyo to issue a £20m 15-year convertible bond in London.

The bond will be underwritten by a syndicate headed by Morgan Grenfell and Yamachi International (Europe), and sold mainly to institutional investors in London, it said.

The bond will be listed on the London Stock Exchange.

Seagram well ahead

By Our Financial Staff

The Seagram Co of Toronto yesterday announced third quarter net profits of US\$48.6m, against \$12.2m the year before. Earnings a share rose to \$1.39 from 35 cents.

The net profits included a gain of \$2.2m, or 45 cents a share, from the sale of an office building.

Revival at ABN

By Our Financial Staff

Algemene Bank Nederland said its profits growth showed a marked revival in the first four months of 1980, but gave no figures.

In the prospectus for its F1350m (£75m) 104 per cent bond issue, the bank said it was moderately optimistic for the full-year results but there were too many uncertainties to make a forecast at this stage.

The bank's net profits were F127.3m in 1979, slightly above 1978 earnings of F127.2m.

Foster Grant sale

By Our Financial Staff

Roussel-Uclaf said in Paris it would buy the United States' sunglasses manufacturer Foster Grant from Hoechst for \$26.5m.

The sale depends on the approval of the French authorities. Roussel-Uclaf is itself a subsidiary of Hoechst.

T. Cowie
fails to
stop Ewer
share issue

By Peter Wilson-Smith

Motor dealer T. Cowie, is bidding for George Ewer lost its battle to prevent from diluting its equity suing 2.6m new shares.

Yesterday, Stock Exchange Quotations Department in the case against allowing new shares to be listed. Cowie's financial adviser

Mr Montagu. There now appears nothing to stop Ewer's issue of Eastern Tractors' new shares to be listed. Ewer's advisers, B Merchant Bank, is to ap the 2.6m new shares to b by midday next Monday statement issued yesterday.

More financial news, 1

The Eastern Tractors can "It has been confirmed Board of Eastern Tractors upon application being listing will be granted shares for Ewer without Tractors or 521p a share. Although Cowie ap have lost its battle to the Eastern Tractors side, it appears to be put out by the Stock Ex behaviour."

It has been something mystery why Barclays Bank, acting for Ewer, i so long to apply for 1 new shares to be listed appears that the Stock E wanted to be satisfied number of complicated about the Ewer/Easte

tors bid before it w sider a listing. These have now been overco Over the past week s of Ewer have been buy shares in the market today Ewer shares cl higher at 561p—above bid price—thus p Cowie from buying m shares in the market.

Bank of Rates

ABN Bank

Barclays Bank

MARKET REPORTS

Commodities

Grain

Wheat

Corn

Soybeans

Cotton

Sugar

Coffee

Tea

Rubber

Hides

Tallow

Wool

Fur

Hides

Tallow

Wool

Fur

Hides

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FINANCIAL NEWS

Valor forecasts tough year after an 18pc increase

By Peter Wilson-Smith

Valor, the gas appliance maker, beat market expectations with an 18 per cent increase in profits to £2.52m before tax in the year to March 31. But demand fell off sharply in the second half and the majority of the group's United Kingdom employees are now on short time working.

Mr Michael Montague, chairman, said that consumer demand in the year ahead was expected to be weak and Valor would not escape the trend. He said: "I am hopeful we will be able to maintain our position, but emphasized that this was not a forecast.

Valor's main business is in domestic gas heaters and cookers, which account for two-thirds of sales and profits. Production was hit by the national engineering dispute and the steel strike, while a moratorium on gas appliance advertising from last September by British Gas, also depressed demand.

Four-fifths of Valor's appliances are sold through British Gas showrooms and at one point weekly sales were halved. This explains the sharp slowdown

in profits growth from 29 per cent in the first half to only 12 per cent in the second.

Mr Montague estimated that without the strikes and advertising cutback profits would have been at least £200,000 higher.

Group turnover in 1979-80 rose from £42.1m to £50.3m, but exports fell from £3.76m to £3.49m.

British Gas resumed advertising a month ago but Mr Montague believes the market will not fully recover before 1981-82.

Valor's liquid position improved last financial year by year-end stocks were up by about a quarter and the group is now running these down. About 1,500 employees at the two main appliance factories in Birmingham and Liverpool are working a four-day week.

Valor has increased the final dividend by 32 per cent to 2.70p gross after adjusting for last year's one-for-one scrip issue. This leaves the year's total up by 26 per cent to 3.80p gross. At the net level the dividend was covered 6.6 times by stated earnings.

Steel strike takes its toll of Aurora

In the early months of this year Aurora Holdings was severely affected by the steel strike. Mr Robert Atkinson, the chairman, told the annual meeting. The current level of order intake in steel and engineering industries was low, but prompt action to reduce labour and overhead costs in line with the present and forecast levels of activity had been taken. The board was specifically concentrating on the reduction of gearing. It was also in the middle of a major rationalization at the steel division.

These factors make it extremely difficult to forecast the results for 1980, the chairman said.

Provincial Laundries sees profit rise

At the annual general meeting of Provincial Laundries, the chairman said that "since the beginning of the year the programme of organic and acquisition expansion had been accelerated". The result was that the turnover of the company was increased from the £3m reported in 1979, to an expected £10m for 1980. As a consequence, a significant increase in pre-tax profits is expected.

MAM goes into fast-food business

Management Agency and Music has entered the fast-food catering business by signing a franchise agreement with Burger King. Over a five-year period at least 16 restaurants will be opened, and the project anticipates a total investment of over £6m.

The first restaurant should be open in the London area this year, with several more scheduled for 1981. Burger King is the trademark of Burger King Corporation of the United States. Two company-owned restaurants are currently operating in London, where turnover increased by 30 per cent last year.

Thomas French under pressure

Although the year has started with a rise in first-half taxable profits from £775,000 to £926,000, at Thomas French and Sons, the board says that it will be difficult to match last year's record full-year results. Demand began to weaken

Business appointments

New executive deputy chairman for BICC

Mr H. C. DeVill, a vice-chairman of BICC, is to become executive deputy chairman of National Westminster Bank.

Mr Francis Mayer, managing director of Rothchild Investment Trust, has joined the board of Target Life Assurance Company.

Lord Kinderley has been appointed chairman of the Commonwealth Development Corporation in succession to Lord Grey of Naunton who retires on June 30.

Mr B. Langford has been appointed to the board as marketing director of Eilerman Travel and Leisure. Mr A. Montgomery has become finance director and Mr T. O'Neill has become operations director.

Mr J. E. Mason has been appointed product engineering director, heavy vehicle division of Leyland Vehicles.

Mr John A. Pooks, director of Gannett Scotland, has been appointed deputy chairman.

Mr M. C. Jelbert has been appointed sales and marketing director of Messengers (Birmingham).

Mr R. A. Chamberlain, Mr J. P. Cook, and Mr Anthony Rajkes, have been appointed executive directors of Orion Bank. Mr Chamberlain and Mr Cook were previously associate directors and Mr Rajkes was previously a director of Credit Suisse First Boston.

Mr Frederick Fisher has been appointed an associate director.

Mr Robert Plett has been appointed managing director of Canadian Imperial Bank of Commerce's subsidiary, CIBC, London.

Mr James B. Clark has been appointed deputy managing director.

No Twinlock dividend

There is no dividend from Twinlock for the year to February 29, against a gross payment of 0.84p. Pre-tax profits of this filing systems group collapsed from £1.42m to £201,000—a "disappointing" outcome says Mr A. K. L. Stephenson, the chairman.

The group, which has an over-the-counter share quotation, has hit hard by unofficial industrial action at its distribution complex. This made for a loss of £241,000 at half time.

At the operating level profits in the second half reached £1.09m. However, interest charges took over £1.3m for the year.

A. Cohen raises payout for year

The dividend of A. Cohen for 1979 was 9.71p gross against 8.8p. Turnover eased from £33.1m. Pre-tax profits were 47.8m to £33.1m. Pre-tax profits were down from £1.96m to £1.71m.

After adding profits from associates, profits were £2.1m against £1.96m. Earnings a share were 45.8p against 26.3p.

Henry Denny loss in first half

Although turnover for the half year to March 29 rose from £14.4m to £16.15m, Henry Denny and Sons made a pre-tax loss of £50,000 against a profit of £289,000.

Trading conditions during the period were extremely difficult. The board sees no prospects of a dramatic turn-around in the second half, while the cost of pigs continues to be unrelated to realizations achievable in an over-supplied bacon market. This depresses margins to a level which cannot cover rising costs currently being experienced by the company.

Dr Ralph Kay has joined the board of Camdex (Holdings) as technical director.

Mr Geoffrey Holliman, marketing and sales director of Mills & Allen, has become sales director of David Allen.

Mr V. Vohralik, managing director of Evode and Mr A. A. R. Cobbold, managing director of Evode Roofing and Evode Joint Sealing, have been appointed to the board of Evode Holdings.

Mr Philip L. Klein has joined the board of Saturn Lease Unit, writing and Mr Russell Rendall has been made a director of Mansionsplace. Both companies are members of the Mercantile House Group.

Mr George B. Beitel has been elected to the board of Phillips Petroleum Company, effective July 1.

Mr Peter Davis is the new marketing director of Data Type Systems.

Mr G. W. Sutton has been elected president of the Association of Mining Electrical and Mechanical Engineers.

Mr Henry Cottrell becomes chairman of Pannier Property Unit in succession to the late Lord Thomas of Remenham.

Mr D. W. Haspinall is now a director of Bradstock, Mount & Crawley.

THE TATA HYDRO-ELECTRIC POWER SUPPLY CO. LTD. THE ANDRA VALLEY POWER SUPPLY CO. LTD. THE TATA POWER CO. LTD.

INVITATION TO BID EXPANSION OF TROMBAY THERMAL GENERATING STATION 500 MW UNIT

1. On behalf of The Tata Hydro-Electric Power Supply Co. Ltd., The Andra Valley Power Supply Co. Ltd. and The Tata Power Co. Ltd., bids are invited for the design, construction, commissioning and operation of the 500 MW unit at Trombay Thermal Generating Station, Trombay, Bombay, India.

A. AIR COMPRESSORS AND ACCESSORIES (SUPPLY ONLY)—TCE-388-BF/1-200-01
1. One (1) No. 1000 Litre Capacity Type Air Compressor, each having a capacity of 1,000 M³/hr free air delivery at a discharge pressure of 10 kg/cm² gauge, with drive motor and accessories, including spare parts, tools, and consumables, for a period of 12 months.

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LEGAL NOTICES

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Secretarial and Non-secretarial Appointments

LA CREME DE LA CREME

Secretary to Partner to \$5,600 p.a.

We are a large firm of Solicitors based in the West End of London, and we currently have an opening for a Secretary to the Partner in charge of our Tax and Trust department.

Offered over 25, you will possess good shorthand and audio skills and be a competent administrator. Previous legal experience is a valuable asset and the position will also appeal to secretaries from the Taxation and Accountancy fields. There is good opportunity to develop this position into a more senior role and every encouragement will be given to study for legal exams.

Salary will be up to £5,600 p.a. with 4 weeks' annual holiday. Hours of work are 9.30-5.30.

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01-278 9161**

Two Secretaries (24-30) with good knowledge of French and with English as mother tongue are needed for the League of Red Cross Societies in Geneva. The League promotes co-operation between National Societies. Ability to work under pressure is important. Work permit application may involve two months' delay. Initial accommodation in Geneva for 2-3 months is provided. Good salary. Please write giving age, standard of French, details of training and experience and availability for interview to THE PERSONNEL OFFICER, BRITISH RED CROSS SOCIETY, 9 GROSVENOR CRESCENT, LONDON SW1X 2ZL.

Continued on pages 26, 27, 28)

PERSONAL CHOICE



Chase, John Standing: The Other Art (ITV, 7.30)

We come to the end of the BBC Wales series The Crusade (BBC 2, 6.55), six years' worth of films about the crusades who went to fight in the Spanish Civil War. The series is well told by Tom Jones, a former transport union official who was sentenced to death. His death was actually sent to his parents. When he returned found his death benefits cash in a drawer. He says, and thus became a very rare individual—a man who to enjoy the wages of death, without having the customary dread preliminaries.

Winning film on BBC 2 tonight, Douglas B. Smith's *Star Legend: A Pilot's Story* (8.30). It has been seen on BBC North, a screening which won for it 'Television Society's regional programme award'. It's a tribute to the Lancaster bombers and the men in them. Jack Currie is one of them. He survived and fought in Lancaster, and in tonight's film he is his old Battle of Britain airfield at Wickenby, and re-lives his war years. His book *Lancaster* is known to you.

'Ripping Yarn' (BBC 1, 8.15), getting its second he one about the Yorkshire football club that has not been for six years, a fact which has not dimmed its loyalty of its supporters, played by the able (at least, in this series of period spoofs), Michael O'Brien repeat tonight is James Andrew Hall's *Out* (BBC 2, 9.40). It is about homosexuals. I can't say I'm offended by it, but I can easily tell of people being genuinely entertained by its

'Radio 3 feature about Salvador Dalí, The Only One' (7.30) coincides with the exhibition of his master's works at the Tate. Its title was provided, though I doubt if he would approve of the ark. Edward Lucie-Smith presents the programme in man and eminent voices include that of Dalí. A. S. Robertson's play *Nobby* (Radio 4, 3.15) sounds for the unsophisticated. It is set in a seaside house for pensioners and stars Diana Dors as the comes late, but not too late, into the life of

new hero, played by Jimmy Jewell, former comedian good straight actor.

SYMBOLS MEAN: (STEREO); *BLACK AND WHITE; L.

Broadcasting Guide

Edited by Peter Daville

TELEVISION

BBC 1

6.40 Open University: Who's Who in the Oceans? 7.05 Root Locus. 7.20 Cyclopaedia. Closedown at 7.30. 10.15 For Schools. Colleges: Merry-go-round (Keep up with the Times, 7). Closedown at 10.20. 11.25 You and Me: Swing and Sway. Saving bells in dance. Plus an Asian story, told in English. 11.40 For Schools. Colleges: Everyday Maths (The Last Count). Closedown at 12.00. 12.55 Debrau Canu: Welsh hymn singing. 1.30 Chamberwick Green: Puppet story for children (7). 1.45 News. 2.00 International Show Jumping: Benson and Hedges Championships. From the grounds of Cardiff Castle. Opening States is the first event in this three-day show. 3.55 Play School: George Terry's Story. The Frog that Jumps. Told by Carol Leaver and Michael Mann. 4.20 Baggy Pants and the Nitwits: Two cartoons. 4.40 The Red Hand: A cartoon. A Cornish posies as a football star. Start of a four-episode serial. 5.10 We're Going Places: New

BBC 2

6.40 Open University: Modern art processing. 7.30 Fatigue. Closedown at 7.55. 11.00 Play School: Same as BBC 1. 11.25 Close-up. 11.35 The Stella Artois Championships. From Queen's Club, London. Live coverage of quarter-finals day. Commentary by Dan Maskell, John Barrett and Peter West. 12.50 Open University: Chemical equilibrium. 3.15 Mining. 3.40 Database management system. 6.05 Biological bases of behaviour. 6.30 The Saturday Market. 6.44 The Colliers' Crusade: Final film in this series about the Welsh miners who went to Spain to fight Franco. The homecomings, and the memories the unprofessional

THAMES

9.30 Schools: The English Programme (the role of women). 9.57 Stop, Look, Listen (airground life). 10.10 Alive and Kicking (set roles). 10.31 Living and Growing (post-natal care). 10.40 About Books (living in the past). 11.10 Reading with Lenny. 11.22 Leapfrog (maths). 11.39 Over to You (cars and hearing). 11.55 Beany and Cecil: Cartoon. 12.00 Song Book: Songs for the young; guest artist is Sue Robinson. 12.10 Once Upon a Time: The story of the Emperor's new clothes. 12.30 The Special Child: about mentally handicapped children at school. 1.30 News. 1.30 Thames News. 1.30 For Maddy with Love: A difficult conversation for father and son about the mother's illness. With Nerys Davies. 2.00 Houseparty: Women present a programme mainly for women. 2.25 Racing: from Sandown Park. We see the 2.30 Foodbreakers of

Wavelengths: Radio 1 medium wave 725m/1089kHz or 245m/1033kHz. Radio 2 med wave 330m/909kHz or 433m/693kHz and 88.91 VHF. Radio 3 med wave 330m/909kHz or 433m/693kHz and 88.91 VHF. Radio 4 long wave 1500m/200kHz and 92.5 VHF. Greater London area only: med wave 720kHz/417m. LBC 251m, 97.3 VHF. Capital 194m, 95.8 VHF. World Service: med wave 648kHz (463m). BBC Radio London 266m, 94.3 VHF.

series about where to go, what to do. A visit to an old brewery there. Is now a house of horror, and a cycling trip through the Derbyshire Dales. With Peter Purves, Sue Cook, 5.55 The Wombles. 5.40 News: with Richard Baker. 5.55 Nationwide: all the regions unite at about 6.30. 6.55 It's a Knockout: The setting for tonight's fun and games is Leatherhead in Surrey. The competing teams are from Bracknell, Hereford and Mole Valley. 7.45 Crime Scene: Comedy about a would-be revolutionary. Tonight, unusually, he finds himself on the side of justice. With Robert Lindsay in the title role. 8.15 Ripping Yarns: Golden Gordon. Another of these period spoofs starring Michael Palin. It's a fine collection of rhodomontades, anais and trees. 8.00 Robble: A Ripe Old Age. Fyfe Robertson interviews Arthur Askey, a comedian for well over half a century, and he is still making us laugh (7). 8.30 The Starline Legend: A Pilot's Story. Former transport union official Jack Currie returns to his old war machine at Wickenby to renew the memories of his 30 years' service. A Cornish posies as a football star. Start of a four-episode serial. 9.00 Sing Country: Charlie Rich. In a programme recorded at the

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RADIO

Radio 4

6.00 am News Briefing. 6.10 Farming Today. 6.30 Today. 7.00, 8.00 News. 7.30, 8.30 Headlines. 8.35 Yesterday in Parliament. 9.00 News. 9.05 Desert Island Discs. 9.45 Down the Garden Path. 10.00 News. 10.02 From Our Own Correspondent. 10.30 Daily Service. 10.45 The Mask of Dimitrios (5). 11.00 News. 11.05 Are Brains Necessary? 11.30 Bird of the Week. 12.00 News. 12.02 pm You and Yours. 12.27 pm Music. 12.40 Weather. 1.00 The World at One. 1.40 The Archers. 2.00 News. 2.02 Woman's Hour. 2.05 News. 3.02 Listen With Mother. 3.15 Play: Nobby, by A. S. Robertson. 3.18 The Finch Manoeuvre. 4.40 Preview. 4.45 Story: A Walk by the Sea. 5.00 PM. 5.05 News. 5.07 News. 5.30 Going Places. 7.00 News. 7.02 News. 7.20 Pick of the Week. 7.30 Profile. 7.35 Any Questions? 7.45 Letter From America. 7.50 Kaleidoscope. 8.00 The World Tonight. 8.15 West Ending. 8.30 A Book at Bedtime. 11.15 Financial World Tonight. 11.30 Today in Parliament. 11.45 News. 12.00 News. 12.15 am-12.23 Weather.

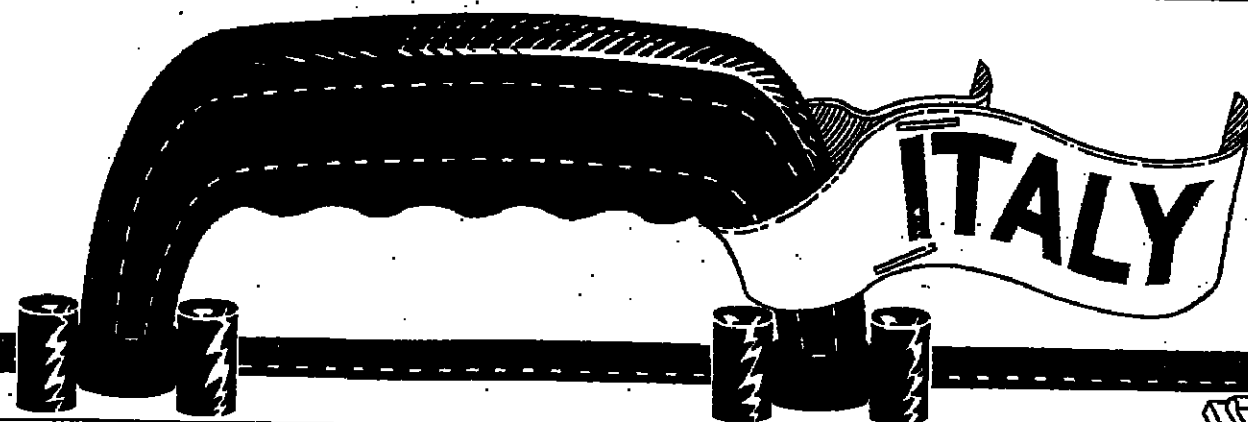
Radio 3

6.55 am (now only) Weather. 7.00 News. 7.05 Records: Boyce, Rameau, Fauré, Franz Schmidt. 8.00 News. 8.05 Records: Frederick the Great, Mozart, Bruckner, Balakirev. 9.00 News. 9.05 Week's Composer: Massenet. 10.00 BBC NI Orch/Wetherall: Schubert, Dvorak, Haydn (Sym 25). 10.45 Songs, piano: Chopin, Messiaen. 11.40 BBC Welsh SO/Hughes: Henshall (Obse Con—last perf), Brahms (Sym 2). 1.00 pm News. 1.05 Piano (Peebles): Ireland, Debussy, Liszt. 1.55 Records: Rzewicki, Szabelski (Sym 5). 2.40 Chansonnier Cordiforme. 4.10 Lancashire Schools SO/Doley: Arnold, Warlock, Elgar. 4.55 News. 5.00 (now and mono only from 6.20) Music for early evening. 7.00 Record: Rachmaninov. 7.10 One Pair of Ears: review. 7.25 Play It Again: review. 7.30 The Only Living Genius: portrait of Dalí. 8.15 Opera: A Midsummer Night's Dream, by Britten (EMI/Bedford—live from Snape), Act I. 9.00 The Great Prayer (1). 9.20 A Midsummer Night's Dream, Act II. 9.05 A Musical Ramble. 10.25 A Midsummer Night's Dream, Act III. 11.10-11.15 News.

Radio 2

5.00 News. 5.05 News. 5.30 Terry Wogan. 5.45 News. 6.00 News. 6.05 News. 6.30 News. 6.35 News. 6.40 News. 6.45 News. 6.50 News. 6.55 News. 7.00 News. 7.05 News. 7.10 News. 7.15 News. 7.20 News. 7.25 News. 7.30 News. 7.35 News. 7.40 News. 7.45 News. 7.50 News. 7.55 News. 8.00 News. 8.05 News. 8.10 News. 8.15 News. 8.20 News. 8.25 News. 8.30 News. 8.35 News. 8.40 News. 8.45 News. 8.50 News. 8.55 News. 9.00 News. 9.05 News. 9.10 News. 9.15 News. 9.20 News. 9.25 News. 9.30 News. 9.35 News. 9.40 News. 9.45 News. 9.50 News. 9.55 News. 10.00 News. 10.05 News. 10.10 News. 10.15 News. 10.20 News. 10.25 News. 10.30 News. 10.35 News. 10.40 News. 10.45 News. 10.50 News. 10.55 News. 11.00 News. 11.05 News. 11.10 News. 11.15 News. 11.20 News. 11.25 News. 11.30 News. 11.35 News. 11.40 News. 11.45 News. 11.50 News. 11.55 News. 12.00 News. 12.05 News. 12.10 News. 12.15 News. 12.20 News. 12.25 News. 12.30 News. 12.35 News. 12.40 News. 12.45 News. 12.50 News. 12.55 News. 1.00 News. 1.05 News. 1.10 News. 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10-page assessment of the nation's trade and economic state at a time of serious political unrest. A business briefing appears on pages VI and VII



Land where one may not see for looking

problem with Italy is to which that brought to the what to look at: a trade union movement. The different thing from spring of 1968 is usually to see. The fact that regarded as a French remains a great deal phenomenon, whereas in from ancient remains fact the revolt of the Euro- living landscapes dis- pean students began in late from the more dis- 1967 in Italy and then inquiry of what crossed the Alps to Paris, is doing, or about to where it galvanized public opinion and so came back to Italy reinforced.

That sequence of events was emblematic of one of Italy's roles in Europe. This has historically been a society in which tension is seldom far below the surface. At the same time, Italians are precocious in indicating new directions for the rest of Europe.

They were a decade ahead of the Germans in taking the road to national unity, as they were in adopting fascism which they first devised and then taught. For the first time since their unity was won, the Italians are facing the challenge of maintaining it. Initially the political system which most of them accept in principle, even if begrudgingly, notwithstanding the many weaknesses in its present functioning.

After unification, they tried a limited form of democracy led by an elite. They passed from that to the opposite, because what they wanted was a chain of command which was not led by an elite nor was it democratic.

The disasters of the Second World War, like terrorist columns, those of the first, led to obvious virtue but directly to another experiment: for the first time since unification, the Roman Catholic political forces came to power in the form of the Christian Democrat Party which since then has stood at the head of a mass democracy.

The postwar constitution almost sanctified this arrangement by including the Concordat with the Church in the basic law of the new republic. The result has been an example of political longevity unrivaled in Europe. The Christian Democrats have led every government except those coalitions formed immediately in the shadow of the war.

The need for change is something else which has dogged the country's history. There could be no effective opposition to fascism except on the part of a state avoided change by an intricate game of changing alliances which transformed an apparently new situation into what went before, and has gone down in history as the system of *transformismo*.

The question of an alternative to Christian Democracy has been a constant theme three decades since the war. The presence of the communists as the second largest party in the country. Could the communists, however different they claim to be from communists in countries where the party is in power, be trusted to obey



Forattini, Italy's leading cartoonist, comments on the rough and tumble of politics, Italian style. Above the blanket: President Pertini. Below it, left to right: the Pope, Francesco Cossiga (Prime Minister), Enrico Berlinguer (leader of the Communist Party), and Benedetto Craxi (secretary of the Socialists).

tion of the Christian Democrats and their replacement by a left-wing government. Their policy is to seek increasingly close collaboration with the Christian Democrats, and to arrive in the government as part of a coalition.

They reached the point of formally becoming a part of the ruling coalition, but supporting a Christian Democrat administration which was intended as a step towards taking ministries. The very idea of a partnership between Catholics and communists is in itself volatile.

The communist demand for participation in government is based on the view that the situation is so serious that only a government of national solidarity can deal with it. Certainly leadership by one party over so long a period has brought with it serious consequences in two main areas.

The first is that corruption has deeply entered the system. The second is that there is a dangerously growing gap between the country at large and the politicians. Both of these fundamental issues could have been met, at least in part, had the leading parties and the Christian Democrats in particular agreed to allow new faces to come forward and provide a change.

The impression is strong of a degeneration of power into faction and private feuds, where the fate of the country is disregarded.

The immediate tasks are daunting. The economy is based on oil. Recession has meant not only unemployment but also a future for young people which can only promise bleakness. Law and order is a serious issue from common crime to murderous terrorism.

The first generation is now grown up wholly in the new industrial slums created when industrialization seemed to offer a new future, especially to the southerners who joined the huge flow of emigration to the north and to the towns.

The country is reaping a bitter harvest, part of which can be said to have been planted itself, and part can be seen as the seeds of a nation, for instance, is by no means a particularly Italian experience.

These new tensions are added to a historical predicament which guarantees a tautness of the Italian air. The country's strategic position is too important to allow it an unfettered political development.

Italy is Europe's natural bridge to Africa and the Middle East. The stresses in these regions touch the Italian nervous system. Also, another centre of excitement is the presence of the Vatican, which once again has a strong international role under a Pope intent on making the Italian-based Church heard throughout the world.

Nor one of these ingredients in abiding Italian tension can be regarded as a purely Italian concern. Nor can the outcome of Italian efforts to face the country's worries. It is arguable that almost none of the difficulties with which Western countries have to deal is peculiar to a particular race or nation, but that is more true about the Italians than others.

If signs of improvement come, they will be good news for everyone. If decline or catastrophe should really be unavoidable, that would be serious for the rest of Europe.

Peter Nichols

Individual is better off than the mass

way you look at third rate services. It is a resource and ingenuity for the myriad of smaller and shade have been over- Italian economy show two faces. Mancu, Minister of Foreign Trade calls "individual well-being and collective ill-being".

The big public corporations, covering a wide range of manufacturing, continually ask the Government for more subsidies to meet losses. With few exceptions, their top managements have been chosen more for political party loyalty than for managerial efficiency. On the other hand many private companies, with the

Even in the private sector, however, it is not an easy time for the big company. Fiat, the biggest, with 270,000 employed in Italy, has been infected by the world car industry's slump. The strength behind a 6.4 per cent rise in industrial production in 1979 lies in

which Italian entrepreneurs, resilient, adaptable, sometimes operating excellent performance in the fringes of legality 1979 and the early part of this year. Italy took a leading role in the Western industrialized world with growth last year of nearly 5 per cent and a rise in industrial production of 6.4 per cent. This, according to provisional figures, was still 7 per cent up in March over March, 1979. Reserves have approached \$45,000m and, with the help of the summer inflow of foreign exchange from tourists, the authorities hope the lira will be safe till the autumn.

It has, it should be recalled, an extra safety net in the European monetary system of 6 per cent permitted divergence, compared to 2.25 per cent for the other member currencies.

It will 1980 bring yet another division in the economy, with a disappointing, if not critical, second half following a good first one? There have been some warning signs. The trade deficit in the first quarter was a massive 3,777,000m lire (£1,957m) against one of 4,725,000m lire (£2,448m) for all of 1979. The advantages for exports of the 1976 lire devaluation have now been eroded, while the cost of oil to the import bill this year may be as high as 16,000,000m lire.

The balance of payments registered a deficit of 1,798,000m lire (£931m) in the first quarter of this year compared to a surplus of 334,000m lire in the same period of 1979. In spite of the summer revenues from tourism, Dr Paolo Ciampi, Governor of the Bank of Italy, believes that it will end 1981 in the red.

Inflation, Italy runs neck and neck with Britain, suffering a 21.2 per cent rise in the cost of living in April on a 12-month basis, and there is little chance of this being significantly lower by the end of the year.

Energy policy, or rather the lack of one, gives cause for anxiety. Italy is equalled only by Belgium in Western Europe in being dependent for more than 80 per cent of energy needs on foreign countries. While advances supplies of natural gas have been assured, from Holland, the Soviet Union, Libya and from late 1981—from Algeria via the ambitious Transmed pipeline, the same cannot be said for the much larger requirements of oil. On the contrary, Saudi Arabia suspended last December a 12,500,000-tonne deal because of an uproar

Italian Genius

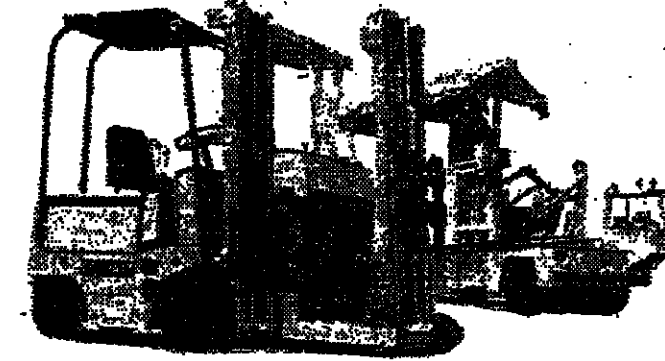


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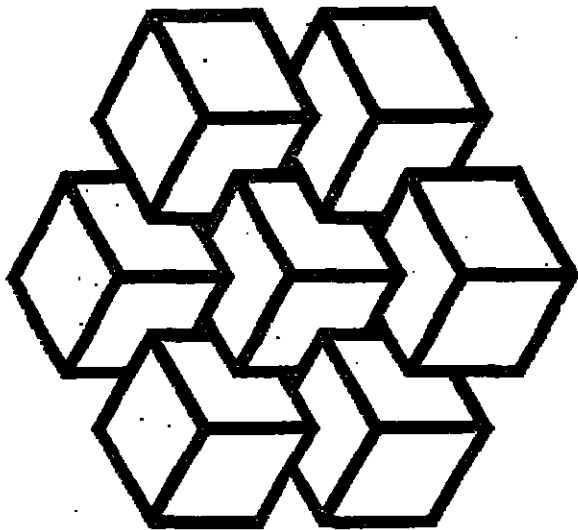
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ITALY

Unions turn from broad national issues to the nitty-gritty

Union politics in Italy are as confusing to the outsider as national politics. The general impression is one of large flag-waving rallies, endless speeches which are long on rhetoric but short on concrete proposals, internal party squabbles and long midnight negotiations with the Government.

To give them their due, union leaders have always taken a broad view of national problems. Their emphasis has been not so much on the hard basics of salary negotiations but more on the general economic development of the country. Inflation, development of the south, youth unemployment, labour mobility have been recurring themes in most negotiations between unions and Government.

But now union leaders are beginning to realize that it is not what their members want. Signor Enzo Martina, the secretary-general of the metal workers' union (Federazione Lavoratori Metalmeccanici), a socialist, young, precise and articulate is very much in tune with the new mood. Italians, he says, are badly in need of facts and there is a feeling on the factory floor that the big general themes are beyond the control of the unions.

It is difficult to say why the unions have found it so difficult to influence national development. Signor Martina continues, but perhaps the lack of clear alternatives at government level has made it impossible. Some say it would all have been different with the Communist Party in government. Others that the Communist Party has deliberately weakened the unions in its attempts to get into power. Whatever the reason, Signor Martina avers his members are getting impatient.

It is all very well to talk about the development of the south—something which Signor Martina believes is essential to the wellbeing of the country—but it no longer means anything concrete to the worker in the northern factories. They support the cause, he says, because they have been conditioned to do so, not because they have any real interest in bringing jobs to the south.

similar subject. There is not much sympathy or even understanding, Signor Martina explains, about the problems the young are facing today. "Our members simply see young people turning down the jobs and cannot understand that many of them would rather have the instability than the boredom of a full-time industrial job. They do not want the security and often prefer to move on every few months."

There is the same sort of incomprehension of the problem of drugs in the factory. "Drug addiction is still not very widespread but it could become so in the future if we fail to face the difficulties at an early stage."

Terrorism is perhaps one of the best examples of an evil the unions did not tackle until late in the day. Signor Martina says: "This is a problem that union members can identify with directly—not so much because they have first-hand experience of terrorism but because there is a growing awareness that past attitudes, a negative approach to institutions and authority in general, an inclination to minimize such improvements and changes as there have been, may have encouraged some to take the next step towards armed violence."

Signor Martina believes there are signs of a change in the belligerent attitudes and aggressive language characteristic of the unions. "Perhaps," he says, "there is a real need to change the atmosphere, to be more positive about the successes there have been. But even here there is a feeling of impotence, a feeling that the means to fight terrorism are just not available."

As a result of all this, our members are turning their attention inward to the factory floor. They are directing their efforts at salary negotiations, working conditions and other easily identifiable local problems. "This has led to a growing gap between the shop-floor and the national leadership. For example, we know that all sorts of local and completely unofficial agreements between shop stewards and management exist. The only way we can



Mario Didó (left), secretary general, Confederazione Generale Italiana del Lavoro; Enzo Martina (centre), secretary general, Federazione Lavoratori Metalmeccanici; and Giorgio Benvenuto, secretary general, Unione Italiano del Lavoro.

cope with the problem is to follow the mood and to give more emphasis to concrete demands at company and factory level. One example of this is the present round of negotiations between the FLM and Fiat for the new company contract.

"Here the FLM has spent considerable time analysing the problems of both Fiat and the car industry in general in an attempt to find out how these will affect the future of our workers. While salary negotiations and jobs are important, we are also trying to change the whole system by which work in the factory is organized. Instead of thinking in

terms of the production line we must now think in terms of process control. Unless we do this we shall be new more members of their defenceless in face of the automation, members of the same But old habits die hard and Martina, about the problems in the sector of the economy, organization of industrial work, he says when something we can spot it fast and can take the action. This is not service sectors. E is a sort of cut would like to see more pay going to the higher grades in an attempt to promote professionalism. But this is another change in attitude which is running into opposition.

"The need to produce concrete results has also led to a change in strategy at the national level. We have managed to gain not thrown out our ideals hand. We have a that the movement should have an influence on in that direction national economic planning, not be easy." Mary V

A passion for labels

Italians have a disconcerting habit of labelling themselves: they like it to be known that they are Marxists or Catholics, or liberals of the Croce stamp or whatever they feel they moderate elements in the Russian hierarchy.

The long European experience has probably helped Signor Francesco Cossiga, the Prime Minister, to provide a tactful presidency over the Community at a time when it is assailed by problems of unexpected magnitude in the crucial relations with the Americans as well as strains within the Community such as the British demands for budgetary reform.

The Italians set themselves a series of tasks at the opening of their presidency which looked more likely to be achieved than they do now. They wanted the problem of the British contribution out of the way, a strengthening of the European Parliament and an improvement in relations between Parliament and the European executive.

Instead, Rome has had to attempt a lead in keeping together a Europe which suddenly saw its unity expiring over the consequences of the Iranian and Afghanistan crises.

The Second World War is a natural zone in which the Italians would have been represented because of the strength of the left at home. One of the achievements which the makers of Italian foreign policy point to with pride is the open frontier with Yugoslavia.

The postwar quarrels over the future of Trieste, which at times brought new and the Italian de Gasperi, have not been forgotten. But the main cause now for discontent is not that too little is being done to remove friction but that the Italians have done too little to help Trieste once they had got it back. The country is now becoming more conscious of this sentiment as a result of exposure of the feelings of the inhabitants at the death of Tito.

can also prove useful. Italian governments presumably have a line of their own through the Communists to the thinking in Moscow of the more moderate elements in the Russian hierarchy.

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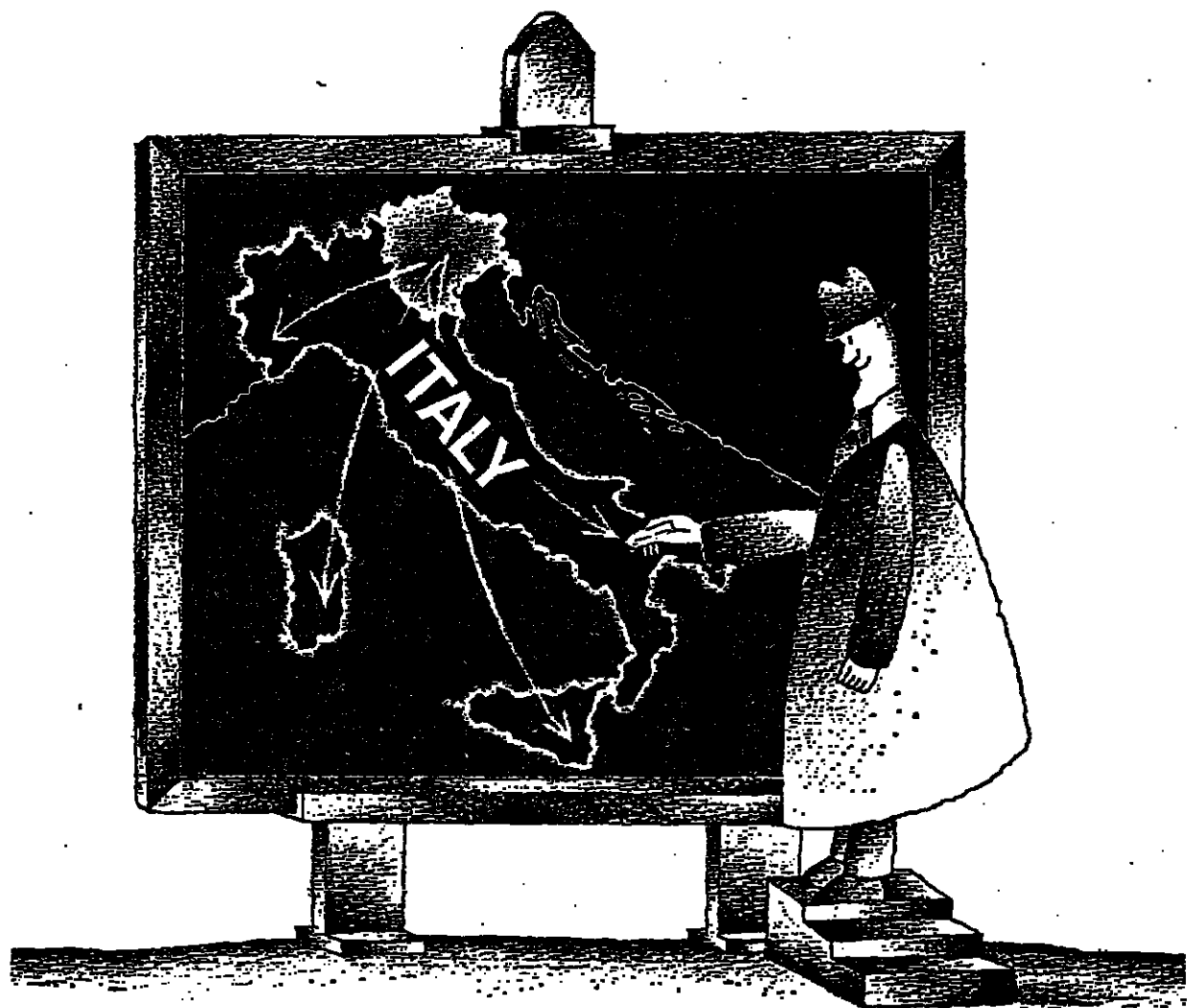
sented by the European choice.

That period is now a thing of the past and in any event did not prevent Italian efforts at purely economic penetration of the Third World. Here, in a sense, there is a wire which passes back into the body politic because it is common for some sociologists to regard the more dilapidated areas of the south as sharing the problems of the Third World, and to consider that Naples more or less marks the beginning of a form of civilization which is more tied to the Mediterranean than to Western Europe economically, historically and socially.

Arguably, Italy does not make use of all the lines which it has to different aspects of the international scene. But the points of contact are there and it does not in theory cost the country much to activate them.

Only in one sphere of policy is there a special ministry outside of what can reasonably be defined as foreign affairs. The present Government is the first to have a portfolio dealing with Europe.

Peter Nichols



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Faces of power: Peter Nichols gives profiles of four of the nation's political leaders—and one runner-up

Pertini

Not a new face— but a new style



Best dash of exuberance on the scene is provided by Pertini, who at this autumn. He had head of state: ago with the number of votes in y of the republic. ong socialist, he is ility of formidable

mental and physical energies who has impressed Italians with his forthright approach to political problems. He makes fuller public use of the President's powers than did any of his predecessors. His main worries are the gap between politicians and people—which he sees as

dangerously large—and, of course, terrorism. He has drawn on his great authority as a hero of anti-fascism to call for a new type of resistance movement, this time directed against the terrorists. Although his face is not new, his style is.

Cossiga

President's choice as Prime Minister



The idea of offering the prime ministership to Signor Francesco Cossiga came personally from President Pertini. Signor Cossiga is a Christian Democrat (like every other prime minister for more than three decades) and was a friend of Aldo Moro, his party's leader who was

murdered two years ago by terrorists. Signor Cossiga was then Minister of the Interior and showed both humanity and a sense of duty in resigning when his efforts at seeking to free his friend from the terrorists ended unsuccessfully. He then kept in the background

until he formed his first government in August, 1979. He was later able to expand a minority administration into a coalition with its own parliamentary majority. To his own Christian Democrats, he added the Socialists and the Republicans.

Berlinguer

Communist believer in broad coalition



This is a time for Sardians. Signor Cossiga was born in Sassari and so was his cousin, Signor Enrico Berlinguer, the leader of the Communist Party, which is the second biggest in the Italian Parliament. Signor Berlinguer is now in opposition but he has not discarded his idea that the Communists should aim to

come to power as full members of a broad coalition, and not on their own or with just other parties of the left. He is the exponent of a particularly Italian concept that the more different shades of opinion are included in government, the better equipped the administration will be to face national problems.

He had reached the point of being part of the official parliamentary alliance which supported the minority government in office immediately before Signor Cossiga's. He also abides by the idea of Eurocommunism. He was its most convincing exponent before international tensions inevitably meant that the idea lost attractiveness.

The dark horse in Pertini stable



nedezza Craxi ily he prefers to as Bettino) was President Pertini band at the prime ip before Signor cceeded. He

failed, of course, but if one day the problem of the lack of an alternative in the structure of political power to Christian Democracy is met by offering the prime ministership to one of the

other party leaders, even if the general structure of power remained the same, Signor Craxi would be the most obvious candidate. President Pertini is not supposed to have much

personal feeling for Signor Craxi but, as a Socialist, he would certainly not mind becoming the president who broke the Christian Democrat monopoly and to do this he would need the Socialist secretary.

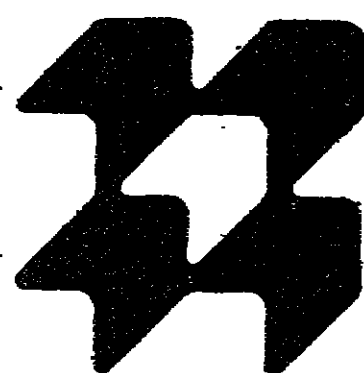
Unknown defeated machine's man



Most faces in Italian politics are familiar, much too familiar, for the flexibility of the system and its credibility with the public who are constantly calling for new faces. Signor Gerardo Bianco is one.

chairman of the Christian Democrat deputies, which is an influential position, against the official candidate. He was not then well known although he was evidently popular with his parliamentary colleagues. Despite all the clamour

for new faces, there was a good deal of shock, and even resentment, that an unknown with almost no apparatus of his own inside the party should have defeated the machine's man. This reaction says a lot about, but not for, the state of Italian politics.



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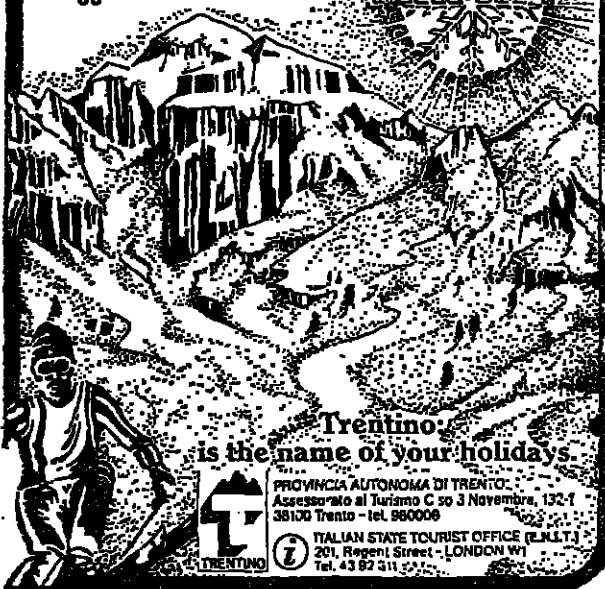
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News for the home: an ice-making machine

The first domestic ice-making machine is born. It is the ACN25 and is exclusive to Filmont-Scotman, Milan (Italy). The machine produces crystal clear ice and, because the ice is devoid of calcareous deposits, it is purer than the water used to produce it.

The ACN25 is functional, takes up little space (38 x 38 x 64 cm) and can be placed easily in any space: in the kitchen, office bookshelves, next to the bar in the living room.

The ACN25 produces 10 kilos of ice per day. Approximately 180 cubes, that is three and a half kilos of ice, are always available in the special reserve department.

The ACN25 does not need fixed connections for water supply; only a power point is needed. Half an hour after it has been "filled up" with water (with a handy jug which comes with the machine) the first cubes of ice are ready.

The ACN25 has, to be truthful, a special, original and amusing shape; furthermore, they do not stick to each other and are long-lasting.

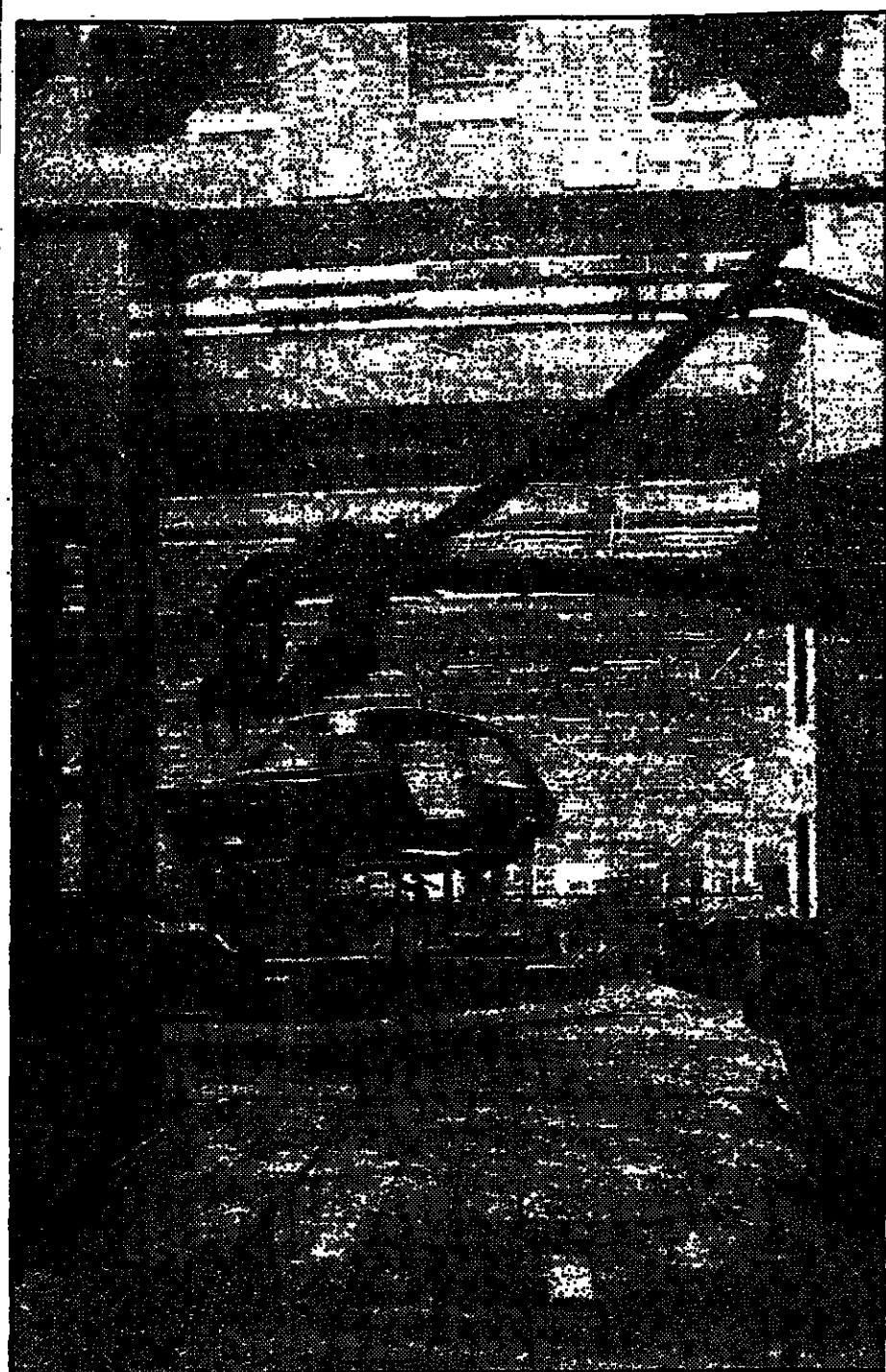
The ACN25 stops ice production if the ice is not removed, and starts again automatically as soon as ice is taken away. The exclusive manufacturing system, which guarantees the crystal quality of Scotchman ice, is patented all over the world.

The ACN25 is born for the home; it is just as useful in the office, in clubs, in small communities and in pleasure craft.

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ITALY



Two welding robots await their next Strada body-shell at Fiat's Turin plant.

Why the engineers have the edge

Dams in Pakistan, chemical plants in the Soviet Union, a steel mill in Brazil, roads in central Africa, oil refineries in Nigeria, pipelines in Algeria: with these projects and many more to their name Italian engineers have built up a reputation and credibility second to none in the developing world over the past two decades.

It is probably no coincidence, for example, that the exodus of Italian technicians working in Iran has been negligible. A lack of political involvement and an ability to work in the most difficult of conditions have often given Italians an edge over their bigger and richer competitors.

In addition, Iran to Italy means a \$3,000m deep-water port at Bandar Abbas and a steel mill at Isfahan—not to mention another \$2,000m in other engineering projects such as gas pipelines and structures.

Italian engineering companies were slower than most to discover world markets. This was largely because Italy offered plenty of opportunities until the beginning of the 1970s when the country's period of explosive growth began to level off.

At the beginning of the decade, for example, Snam Progettati, the design and engineering subsidiary of the state-controlled hydrocarbons holding ENI, still had 50 per cent of its work load in Italy. Over about

five years the company switched emphasis until some 90 per cent of its order book is now filled with overseas contracts. This sort of flexibility coupled with an ability to make the most of changing situations has been characteristic of almost all the major engineering companies. The casualties such as Italcementi have either not had the financial backing or management skill necessary to adapt.

Broadly speaking, it has been the sectors with a solid home-based experience behind them—cars, petrochemicals, steel, civil engineering—that have done well abroad. But almost all of them have at some time or another come up against the main problem of finance.

Until the middle of the 1970s Italy was considered a high risk case on international money markets. Both state-controlled and private companies therefore had difficulty raising money abroad. At home, the Government was both reluctant and slow to grant export credit facilities and, as a result, a number of companies lost important contracts. It was only in the late 1970s that the whole system of financing exports was given a long overdue overhaul.

Engineering companies have not had much success in overseas markets when the Italian market has been either slow to develop or

when it has been heavily dependent on imports of foreign technology. The main casualty has been the steel industry, which has been slow to adapt to the construction programme still on the drawing board after 10 years of discussion.

Companies such as Fiat, Tecnomasio Brown Boveri, Franco Tosi, Ercote Marelli, were all geared to expand rapidly when it looked as though Italy was about to embark on a crash programme to build 20 nuclear power stations by the mid-1980s. Now that even eight stations by the end of this decade look optimistic the private companies in effect have pulled out, leaving the field open to the state-controlled engineering group, Finmeccanica.

The lack of its own technology, coupled with the absence of any coherent government policy are also the main difficulties in the electronics industry. IRI, the state industrial holding company, earmarked almost a half of its total five-year investment programme for telecommunications last year. But it is still waiting for the money.

Olivetti, the largest privately-owned company of its kind, is being forced to look overseas for its major clients as planning by state-controlled postal and telecommunications organizations has been blocked by government inertia.

Mary Venturini

Steel industry was the lucky late-comer

The steel industry in Italy, in a happier position than that of other European countries. Production has been kept reasonably steady over the past five years, job levels have been maintained, losses are slightly down this year and a few sectors—steel reinforcing bars manufactured by the Bressiani in Northern Italy and special steels—are healthy.

Italy has been lucky in some ways. As its steel industry developed long after that of its main competitors it is blessed with relatively modern plant and technology. Because producers had to rely on imports of raw materials most of the steel mills were spread widely at Italy's main ports, Genoa, Naples and Taranto. Reorganization was possible without upsetting large geographical areas.

But, having modern plant is one thing. Where Italy has been less fortunate is in starting production just when world markets were going through a recession. The cost of financing investments also has been disastrously high. Government funds for IRI, the state holding company which controls more than half of the country's steel production through Italsider, Dalmine and Terni, have either been inadequate or have arrived too late. As a result the financial holding company, Finsider, has been unable to meet many of Italsider's investment needs out of its own purse and has been

forced to borrow on open markets. At present Finsider is asking its parent company IRI for a new share capital increase of 1,500,000 lire to meet its own losses and Italsider's reconversion and building programmes. IRI is still waiting for parliamentary approval for its new funding. Italsider, which registered losses of 250,000m lire in 1979, about 50,000m lire down on the previous year, is hardly in a position to wait. Last year both short and long-term debt, totalling 3,900,000m lire, amounted to more than its annual turnover of 3,120,000m lire.

Italsider needs the money to complete reconversion at Cornigliano near Genoa. But its most important project is the reconstruction and reconversion of the Bagnoli mills in Naples. This will cost some 400,000m lire.

Italy is hoping that about a third of the total will be covered by grants from the EEC. But in order to soften French, German and Belgian opposition to the scheme the Italians have had to agree to delay the start of production of steel coils at Bagnoli from the end of 1982 to Summer, 1983.

At the moment Italy is one of the main customers of French and German steel coil manufacturers. Their future will not look so bright when Bagnoli starts producing 1 million tonnes of coils a year. However a

delay in production at Bagnoli may appease opponents. With a 300,000 tonnes a year reduction in steel coil production at Cornigliano this should at least prevent surplus capacity on the European market.

Bagnoli is one of the few major structural problems left for Italsider. After years of indecision the idea to build another vast steel complex at Gioia Tauro in Calabria has been finally abandoned and the Government is now busy finding substitute development for the job-hungry area.

With capacity and employment levels now set for the foreseeable future, Italy's main aims are to improve the quality of its production and to find new markets, mainly overseas. More emphasis is now going into research, advanced technology and marketing.

Italsider and Dalmine, for example, are particularly interested in supplying specialized products for the oil industry. Exports of technology have also been another development in the past few years. Finsider is involved in the construction of the large steel complex at Bandar Abbas in Iran, and more recently the company signed a joint contract with the Japanese Kawasaki and the Brazilian Siderbars for the construction of a three million tons-a-year steel plant at Tubarao, about 300 miles north of Rio de Janeiro.

M.V.

Ossola - the new wind blowing at the Banco



Signor Rinaldo Ossola,
chairman of
Banco di Napoli.

A new wind is blowing at Banco di Napoli in Rome—seventh Italian bank in size of deposits and the biggest in the south—since the appointment in April of Signor Rinaldo Ossola as chairman.

For much of the 1970s Banco di Napoli had the image of a sluggish, over-staffed bank, run by a board better versed in Christian Democrat paternalism and patronage than in managerial efficiency, and accustomed to undeviating, non-productive lending to local authorities and public institutions. It came in for criticism from the auditors a few years ago and in 1977 managed—a rare achievement among the leading Italian banks—to make a loss of about 11,000m lire (then about £7m).

Signor Ossola, well known in the international financial world, arrived with the prestige of a former director of the Bank of Italy who recently served in the Government as a non-political Minister of Foreign Trade. Born in November 1913, he is a northerner from Lecco on Lake Como, who made his career with the central bank after a brief period as a university lecturer and a course at the London School of Economics. He brings an unfamiliar breadth of vision to the provincial bankers of Naples.

The bank now faces reorganization, both internally and internationally. Domestically Signor Ossola would like, he says, to "decentralize" the bank, making it more of a national institution, more effective in promoting the growth of the Mezzogiorno, reversing a trend towards the heavy deposits in the South for lending in the North.

There is likely to be more support for medium-sized and smaller firms, more financing of exports, foreign exchange dealing, more underwriting of new issues, more activity in general in the foreign sector, in which Signor Ossola admits the bank's role is marginal.

He is starting his task at the time when the economy is still performing much better than thought possible only months ago. The reserves are high, and Signor Ossola sees no dangers for the lira in the European monetary system, at least not till late in the year. Even if the deficit in 1980 rises to 15,000,000m lire (£3,300m) he believes the balance of payments will still be able to end the year in equilibrium if not in surplus.

The terms of trade, however, are worsening, and Signor Ossola is not alone in being concerned at the increasing loss of competitiveness of exports. One cause for preoccupation is that main export earners are "mature" sectors such as textiles, clothing and footwear, and uncontrolled machinery, in all of which Third World production will be an increasing threat. While Italy last year was still able to enlarge its share of world markets, he believes that the volume of exports this year will no more than keep pace with the general increase in world trade.

The future shape of Banco di Napoli's foreign networks is still under consideration. Signor Ossola would like to project the bank more in the Mediterranean and Arab territories, but admits his ideas are not clear yet.

London will undoubtedly be one important base for international operations, though it is uncertain whether Banco di Napoli, in addition to its representative office there, will feel it is best served by maintaining unchanged its 25 per cent share in the Italian International Bank. This one-quarter owned by each of the so-called banks of the "intesa" or "agreement"—

tries is likely to amount to \$115,000m, matched by deficits of about a third of this among industrialized countries and of about two thirds among the heavily indebted importers of the Fourth World.

Now that efforts to recycle petrodollars through an International Monetary Fund substitution account in special drawing rights have failed or at least been shelved, Signor Ossola believes that Europe should offer the European unit of account, or ECU, as a means of payment. This would help to ensure Europe's own oil supplies and provide Opec countries with a means of preserving the value of their revenues.

the ECU being backed by current reserves. Moreover, he recent meeting of the ECU as a means of an international system with several well defined areas, like the States, Europe, J Opec. In the meantime that the present world recession, which is worse, because it is increased dependence, the 1930s. In his view, it is not practical to free of oil or allow it to "natural" level, but forces would rapid consumption and bring a situation when reserves tomorrow. He also the trend towards nationalism, on the one hand, and the industrialized World producers, on the other. For the latter to erect labour-intensives, thereby discarding internal resources. Instead, people work for trilingual between Arab world and Africa, in which decurs allot per surplus to the d, of productive at the Third Wc management assi equipment from trialized countries

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BALANCE SHEET 1

The Board of Directors of the Cassa di Risparmio di Torino, meeting on the 28/3/1980 under the chairmanship of the Hon. Prof. Emanuela Savio, has approved the balance sheet for 1979.

NET PROFIT for the year was LIT. 6057 MILLION, which has enabled us to distribute LIT. 2720 MILLION to CHARITIES AND PUBLIC UTILITY ENTERPRISES and with further allocations to increase CAPITAL RESERVES to LIT. 265.8 BILLIONS.

The good results achieved in 1979 arising from a wider range of services, an improvement in the operational infra-

structure and a growing trust from customers, have made possible a strengthening of the Institute's capitalisation:

DEPOSITS are LIT. 5445 BILLIONS. TOTAL ASSETS are LIT. 6411.5 BILLIONS of which LIT. 5083 BILLIONS have been employed in ECONOMIC AND FINANCIAL INVESTMENTS.

Board of Directors at 28/3/1980
Chairman: Hon. Prof. SAVIO Emanuela

Board of Auditors:
Rag. ANGELERI /
Sig. BOSCO Carlo
Dott. RONCO Gio

Management:
Managing Director:
Dott. BANZATTI I
Deputy Managing:
Rag. BRUNI Carlo
Dott. GALLETTI
Avv. PIPPIONE RI



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50 years of production experience
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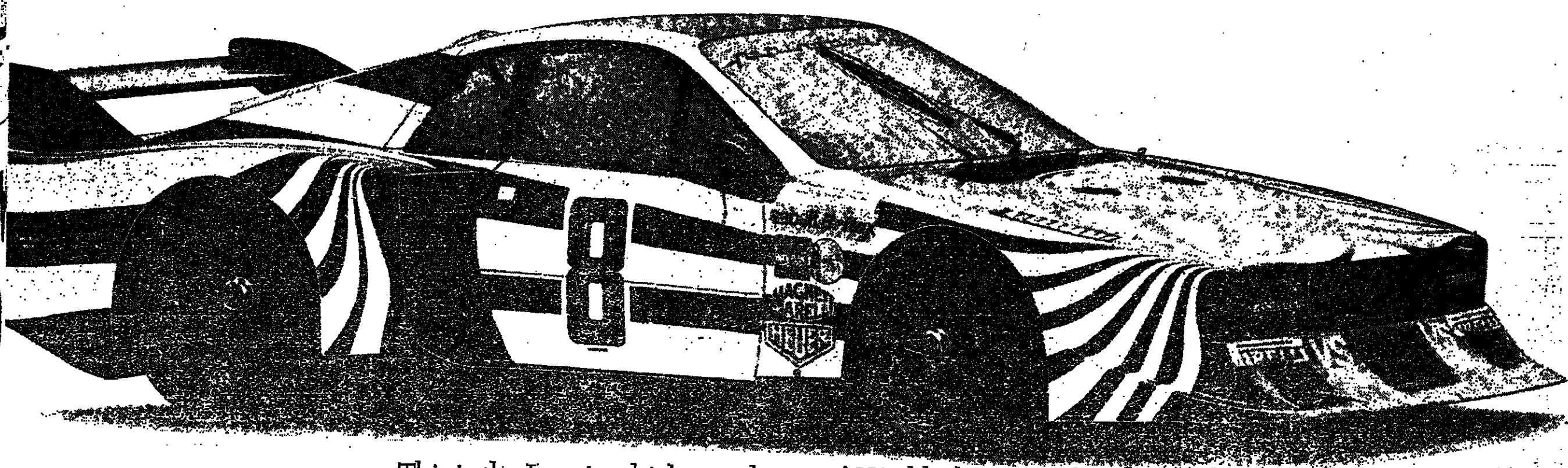
It isn't easy to know how to produce
detergents, soaps, fatty acids and fatty acid derivatives;
but it is even more difficult
to solve the problems of
harmonizing production with supplies,
chemistry with ecology,
quality with costs.

Science, experience,
global view of the role of the enterprise:
this is the know-how
most needed to-day in the world: this is
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MIRALANZA
The future as a tradition

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Lancia in battle dress.



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Porsche and BMW eat our dust.

The Lancia Monte Carlo Turbo.



FACTS AND FIGURES

For the traveller

How to get there

Air services from London to Rome, Milan and other big cities are frequent. The capital-to-capital flight can take less than three hours. British Airways and Alitalia are carriers to a number of centres, and British Caledonian has a service to Genoa. Stoppers in other European cities are possible on return journeys to Rome.

By rail, the usual direct route to Rome from London is via Calais, Paris, Turin and Genoa. Through carriages and sleepers are available from Calais or Paris. The fastest service takes 26 hours, but allow a day and a half. There is also a service from Liverpool Street, London, via Harwich and the Hook of Holland. This follows the Rhine and goes on to Basle, with through coaches to Lugano and Milan.

Access is possible by road throughout the year from France and Austria. Motorists can use either the Mont Blanc road tunnel or rail car transport services from Switzerland. Importation of motor vehicles for private use is allowed on acquisition of a free *carte* *conformite* *turistica* (fuel and tourist card) from the customs. For a small charge, drivers are offered temporary membership of the Italian Automobile Club, which sells obligatory third-party insurance.

Travel documents

Citizens of the United Kingdom, Eire, the United States and Canada require no visa and can stay for up to three months. People from some Commonwealth countries do require visas. A check should be made with the Italian embassy or consulate before leaving.

Local travel

Air services operated by Alitalia, Iavia, Aero Trasporti Italiani and Alisarda link Rome with the main cities and with Sardinia. Most of the principal airports have bus services, which are both fast and cheap, into city centres. Despite the peninsula's mountainous terrain, Italy's

rail services are good. High-speed links are provided between the main centres, and the best trains offer sleepers and restaurant cars. Seats can be booked only from termini, through travel agents or at the station itself 24 hours before departure. Main lines are either electrified or diesel-operated.

Most main cities are served by *autostada*, all of which are toll roads. Other main highways are maintained but travelling on them is much slower. Traffic keeps to the right.

British visitors wishing to hire cars will require a British driving licence and an official translation: the latter can be supplied by the Automobile Association. Petrol stations on motorways are open 24 hours a day. Express coaches are available for many long journeys: they are either part of the *Eurobus* system or are operated by Italian companies.

The network of steamer services linking the mainland with Sicily, Sardinia and the Aeolian Islands is extensive. Similar vessels, together with car ferries and hydrofoils, ply Lakes Como, Maggiore and Garda.

Local customs, advice to visitors

Most Britons feel welcome and at home in Italy, where the people are generally cheerful and courteous. Italians are great handshakers, both on meeting and leaving. While many speak or understand English, they greatly appreciate the efforts of those who take the trouble to learn to express the common courtesies in Italian.

Travellers are advised to seek hotel accommodation well in advance if visiting a town or city during one of the many trade fairs or conventions. Service charges are usually added to the bill, together with any local taxes, but tips are nevertheless expected by those staff members who have been of particular help.

In restaurants it is usual to add a small tip to the bill, despite the fact that it includes service and cover charges. Railway porters usually look for about 400 lire a bag, and small gratuities are also expected by taxi drivers, barmen, hairdressers, petrol station and car park attendants.

Travellers may take into Italy 300 cigarettes or the equivalent in cigars or tobacco; 1.5 litres of spirits or 3 litres of other alcoholic

Currency

The unit of currency is the *lire*, with coins being issued for five, 10, 20, 100, 200 and 500 lire, and notes in 500, 1,000, 2,000, 5,000, 10,000, 20,000, 50,000 and 100,000 lire denominations.

Postage stamps have in the past been used as small change, but this practice is now decreasing. The pound sterling is equivalent to approximately 2,000 lire.

Climate

In Milan, average maximum daily temperatures range from 5°C (41°F) in January to 29°C (84°F) in July; comparable figures for Naples are 12°C (54°F) in January and 29°C (84°F) in July and August. Rome's average summer temperature is about 24°C (75°F).

The south enjoys mild winters and long hot summers; in the central region the weather is mild for most of the year; in the industrial north there is much more variety, but generally the climate permits comfortable visiting at any time of the year.

Electricity

Lamp bulbs are usually of the screw type, and wall plugs of the continental type, with two or three-pin round prongs (in line). Most domestic supplies are 220 volt AC, 50 cycles, but 125 volts is used in some places.

Country

Italy covers an area of 116,280 sq miles, much of it mountainous. To the north are the Alps, forming a natural border with France, Switzerland, Austria and Yugoslavia. The southern slopes of this range lead on to a great alluvial plain which contains the country's main industrial cities.

The plains of the Po and Venetia reach down to the peninsula itself, which stretches deep into the Mediterranean. Sicily, at the toe of the peninsula, and Sardinia, to the west of the mainland and immediately south of France, Corsica are the country's two main islands.

Main cities

Rome, the capital, has a population of more than

Shopping

Every region of Italy boasts its own speciality—Venice its glassware, lace and velvet; Naples its coral, canoes and tortoiseshell articles; Florence its leather, raffia, straw products and embroidered articles. In general, visitors find such items as silk ties and dressing gowns, shoes and other leather goods, knitwear, gold jewellery, ceramics and straw goods particularly attractive.

In most of the larger, more fashionable shops, prices are fixed (*prezzi fissi*); it may be worth asking for a discount, or trying to bargain elsewhere. Antiques should be approached with caution in this land of skilled craftsmen. For opening times see *Hours of business*.

Useful addresses

Central point for British trade promotion in Italy is at the Commercial Department of the British Consulate-General on Via San Paolo 7, 20121 Milan (telephone 803442/6; telex 310528, a/b 310528). Other British commercial representatives can be found at the British Embassy in Rome (see under Embassies) and at the following centres: Florence—Consul British Consulate, Palazzo Castellaccio, Lungarno Corsini 2, 50123 Florence (telephone 263556; telex 570270, a/b 570270); Genoa—Consul General, British Consulate-General, Via XII Ottobre 2 (13th Floor), 16121 Genoa (telephone 564.833-5; telex 270689); Naples—Consul General, British Consulate-General, Via Francesco Crispi 122, 80122 Naples (telephone 209227 and 663.320; telex 710330, a/b 710330); Turin—British Government Trade Office, Corso Massimo d'Azeglio 60, 10126 Turin (telephone 687832 and 683921; telex 221464, a/b 221464); Venice—Consul, British Consulate, Accademia 1250, Dorsoduro, 30123 Venice (telephone 27408; telex 410283, a/b 410283), postal address PO Box 679, 30100 Venice. Honorary consuls able to give limited help are resident in Cagliari—Honorary British Vice-Consul, Via San Lucifero 57, 09100 Cagliari; Sardinia (telephone 62755); Messina—Honorary British Consul, Corso Garibaldi 267, A. 98100 Messina (telephone 51012); London: The Italian Trade Centre (ICI) 20 Savile Row, W.1. Telephone 01-734 2411. The Italian State Tourist Office (ENT) 201 Regent St., W.1. Telephone 01-439 2311.

General

Italy has 8,600,000 and rapidly the government ministries but also the headquarters of the various state and para-state companies.

These have increased its importance as a business centre, without detracting from its role as one of Europe's pre-eminent tourist cities. The Cassa per il Mezzogiorno, or Fund for South, is based in the capital, and the neighbouring Pomezia/Latina Frosinone areas have benefited considerably from its help.

But the country's commercial and industrial capital is Milan, which has a population of nearly four million. More than one fifth of Italy's commercial capital and banking services operate in a small area around the city, and nearly one third of its industry. The per capita income of the people of Lon-

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History

Italy became a unified country just over 100 years ago, under the House of Savoy. After the 1914-18 War began the country was afflicted by economic disturbances, mass emigration and general discontent.

Italy broke with Austria and Germany in 1915 and joined the Allied cause. When the war ended, what she regarded as her natural boundaries were restored, but a series of weak governments paved the way for the rise of Benito Mussolini, whom the King asked to form a Cabinet in 1922.

The Axis with Germany under Adolf Hitler, was formed in 1936. At the start of the Second World War Mussolini declared the country a "non-belligerent", but by 1940 it was actively engaged alongside Germany.

Soon after the Allies invaded Sicily in July, 1943, Mussolini resigned. By September the Badoglio Government had called for an armistice and soon began cooperating with the invading forces as cobelligerents. In the spring of 1945 the Allies broke through the German-manned Gothic Line south of Florence; Mussolini was captured by partisans and executed.

In 1946 the 1946 Italy became a republic after a referendum in which 52 per cent of the people voted against a monarchy.

Public holidays

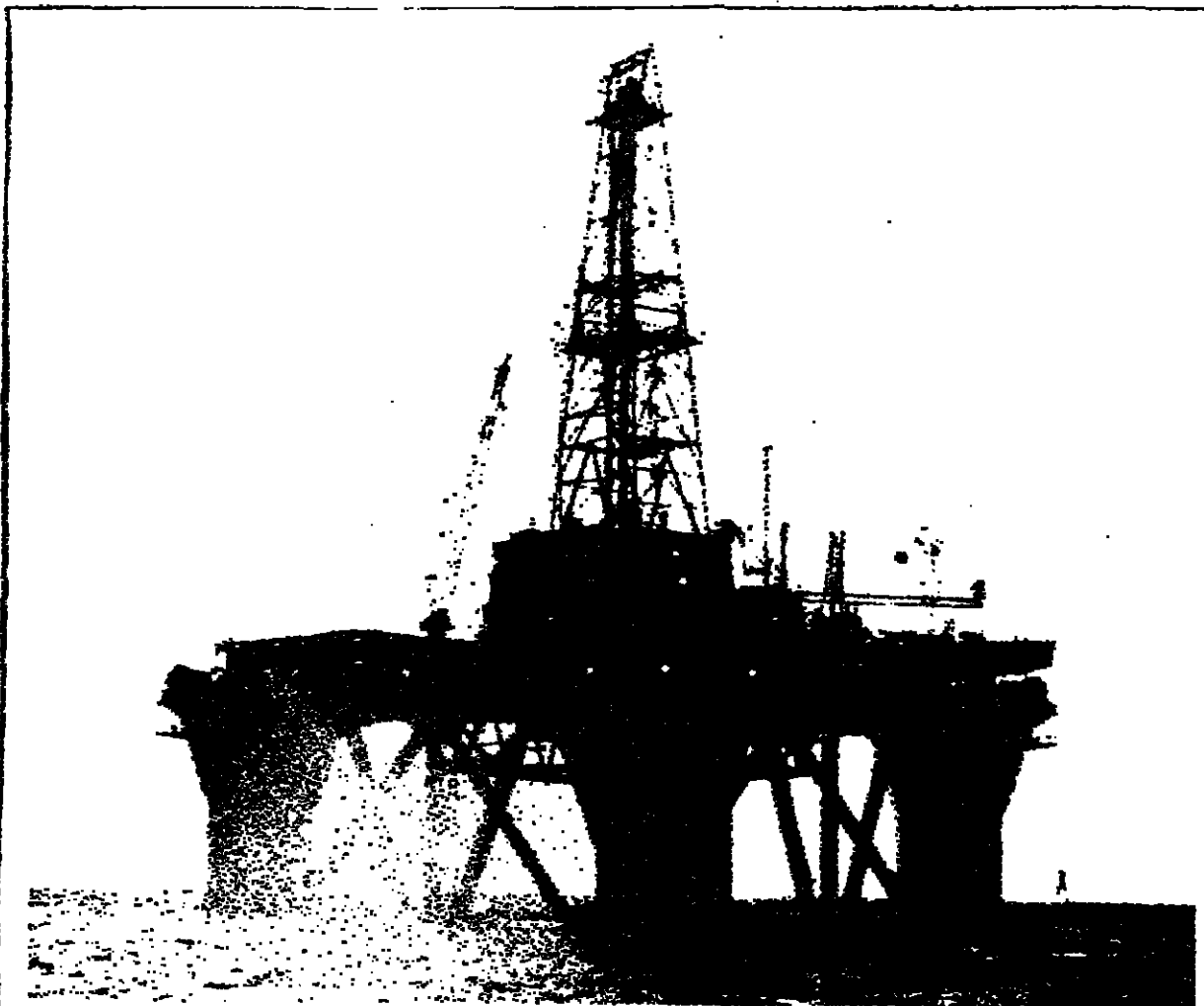
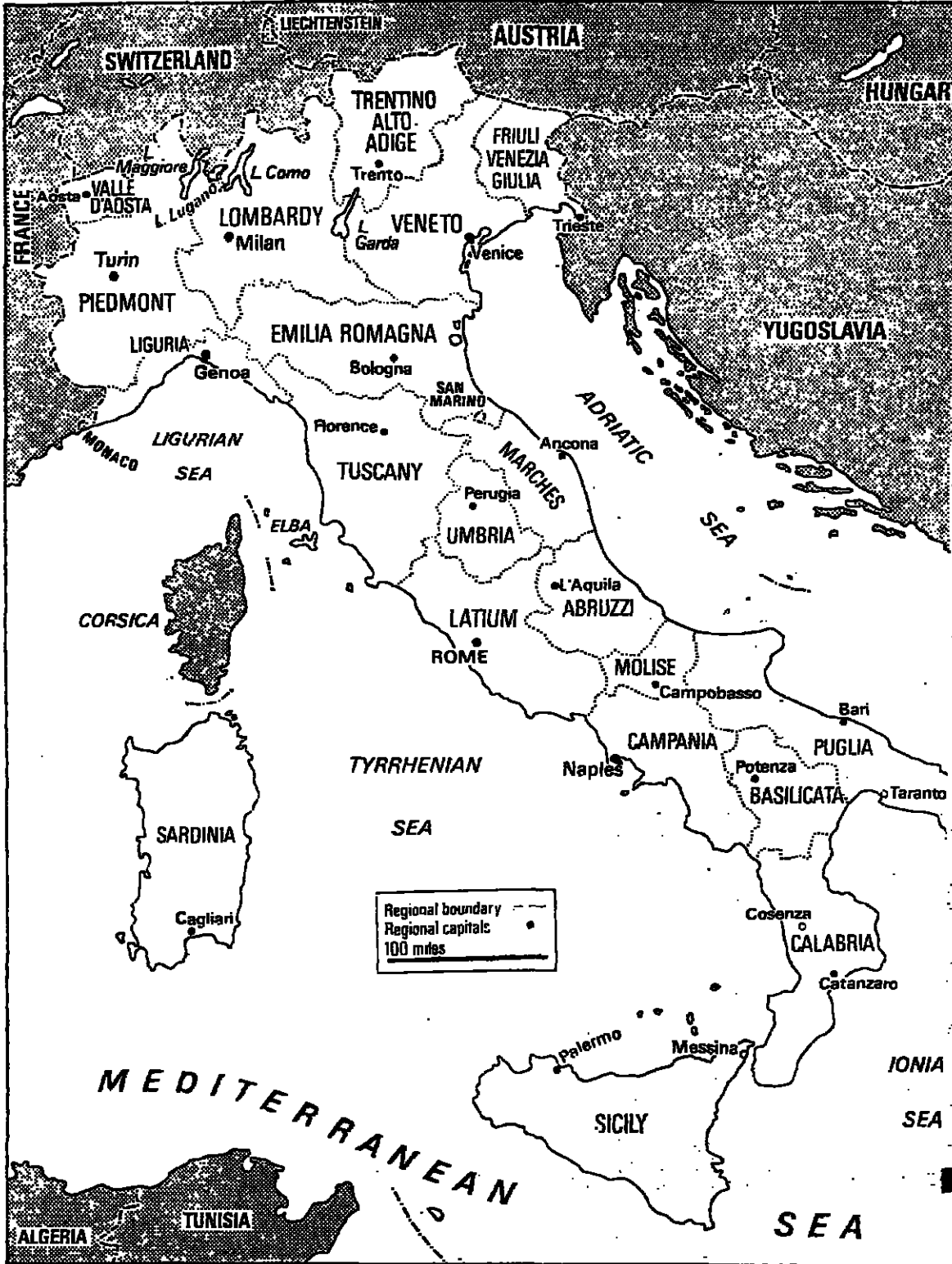
1980
Ferragosto (Assumption) August 15
All Saints' Day, November 1
Immaculate Conception, December 8
Christmas Day, December 25
Boxing Day, December 26
1981
New Year's Day, January 1
Easter Monday, April 20
Liberation Day, April 25
Labour Day, May 1
Continued on facing page

Trade fair diary

Among the many trade fairs and exhibitions due to take place this year are:
September 4-7 Exhibition of footwear, leather and accessories and related machinery, Milan.
September 4-8 Music and hi-fi show, Milan.
September 5-9 Souvenirs, perfumery, jewelry, leather and smoking articles show, Milan.
Household goods, chinaware, hardware, ironmongery and tools trade market, Milan.
September 9-15

Carevan and accessories exhibition, Turin.
September 12-22 Building and earth-moving machinery, materials and equipment show, Bari.
September 15-26 Film, television film and documentary trade market, Milan.
October 18-27 Boat and underwater equipment show, Genoa.
October 23-27 Leather goods market, Milan.
October 26 and November 3 Bakery and confectionery machinery exhibition, Milan.
October 28 and November 1 Water and air purification plant, soil contamination

and refuse disposal, Milan.
October 31 and November 1 Confectionery exhibition, Milan.
November 11-15 Chemical apparatus, research and testing, Milan.
November 12-16 Farm machinery manufacturers, Bologna.
November 15-23 Hotel and tourist equipment exhibition, Genoa.
November 17-23 Rubber and materials fair, Milan.



Eni Good results in 1979

1979 saw greater activity on the part of ENI, the Italian State-owned energy and chemical group, and considerably improved financial results. Gross sales have reached over 23 billion US dollars, an increase of about 6.5 billion US dollars over 1978. Investment totalled 1,990 million US dollars, with 75% in the energy sector. ENI, through its sector-head companies AGIP — the largest Italian operator and a leading European Company in energy sector — and SNAM — operator in gas sector — guaranteed over 42% of the domestic energy requirements (compared with 38% in 1978) with 40 million tons of oil and 27 billion cubic metres of natural gas.

The growth in the energy sector was accompanied by increased co-operation with foreign countries. The Group exported technical, financial, industrial and organizational assistance and provided personnel training, as well as goods and services for the petroleum and other sectors. SAIPM was recently awarded a contract for the construction of a major new 10 million ton/yr refinery in Libya with engineering by SNAMPROGETTI. Contracts were awarded to NUOVO PIGNONE for the installation of gas compression stations in Iraq.

Final agreement was reached with the Algerian government on the construction and financing of the trans-Mediterranean natural gas pipeline: this will enable SNAM to increase substantially the share of natural gas in the Italian energy balance.

Possible new developments with other European countries are being studied in connection with this initiative, which is an

important contribution towards the energy integration of the Mediterranean countries. The policy of interdependence and direct co-operation between industrialized nations and oil producing countries provides ENI with new business opportunities and possibilities for projects in the main sector of the Group's operations.

In 1979 ENI operated in 23 countries in the field of oil and natural gas exploration and production. New offshore permits were obtained in the U.K., Egypt, Yemen, Ghana, Vietnam and Nigeria and an important agreement was reached with China. ENI companies produced oil, either as operators or in partnership with others, in ten countries: Norway, U.K., Tunisia, Egypt, Congo, Nigeria, Qatar, Iran and Indonesia.

The Group was involved in the promotion and development of alternative and integrative sources of energy (natural gas, coal, nuclear, geothermal and solar) and in the field of energy conservation. As in 1978, the main increase in the Group's financial income was in the energy sector and in the services, chemical and mechanical manufacturing sectors.

Chemicals, engineering, mechanical manufacturing and textiles increased their percentage of foreign sales and were the largest earners of foreign currency. At the end of 1979, the ENI group employed a total of 120,000 people in Italy and abroad.

Eni Agip AgipNucleare

Eni Aric Eni Lanerossi Eni Nuovo Pignone Eni Saipem Eni Samim Eni Savio Eni Snam Eni Snamprogetti Eni Sofid



all the products of the steel industry

Italsider Genova	Flat hot-rolled, flat cold-rolled and coated mill products - Large and medium diameter welded steel pipes - Hot-rolled bars and sections - Welded sections - Railway superstructures and switches - Railway wheel arrangements and rolling stock - Steel castings and forgings.	C.M.F. Costruzioni Metalliche Finsider Livorno C.I.M.I. Milano	Study, design, constructions, sal and erection of steel structures: industrial and civil buildings.
Dalmine Milano	Seamless and welded steel pipe for any industrial and civil purposes.	Ponteggi Dalmine Milano	Construction and erection of industrial installations (for oil industry, petrochemical and steel industries, thermic and thermonuclear stations, electrical and instrumental installation). Normal and special maintenance work.
Terni Roma	Electrical and stainless steels, forgings, castings, drop-forgings, concrete reinforcement bars, penstocks, pressure vessels for chemical, petrochemical and nuclear industry.	Montubi Milano	Scaffolding and Formworks Storage Racks.
Acciaierie di Piombino Piombino	Merchant rolled products, rolled bars also in special steel, beams and rails.	SIAS acciaio Cogné-Breda S. Milano	Design and construction of installations in Italy and abroad using steel tubular products, aqueducts, gas pipelines, oil pipelines, penstocks for hydroelectric installations, submarine piping, sea terminals, structures and installations in general.
Mortefi Soprefin Genova	Prefabricated family housing ranging from relocatable mobile homes through permanent units, contractors' site offices, workers' camps, prefabs for use as schools, medical centers, recreation facilities etc., mobile units (caravans), supermarkets, sports-halls, supplied on a turn-key basis - industrial buildings - "alusic" cladding and roofing - lighting steel columns and poles for overhead lines - iso freight containers - portable garbage containers - safety fencing - Unquote.	INNSE Milano	Special steels for constructional bars, stainless and valve steels, high and tool steels, special parts according to customer's drawing, stamp coins.
		Italimpianti Genova	Design and construction of plants and equipment for steel and non ferrous metals, mill rolls, heavy machine tools and presses.
			Consulting design and construction of industrial plants.

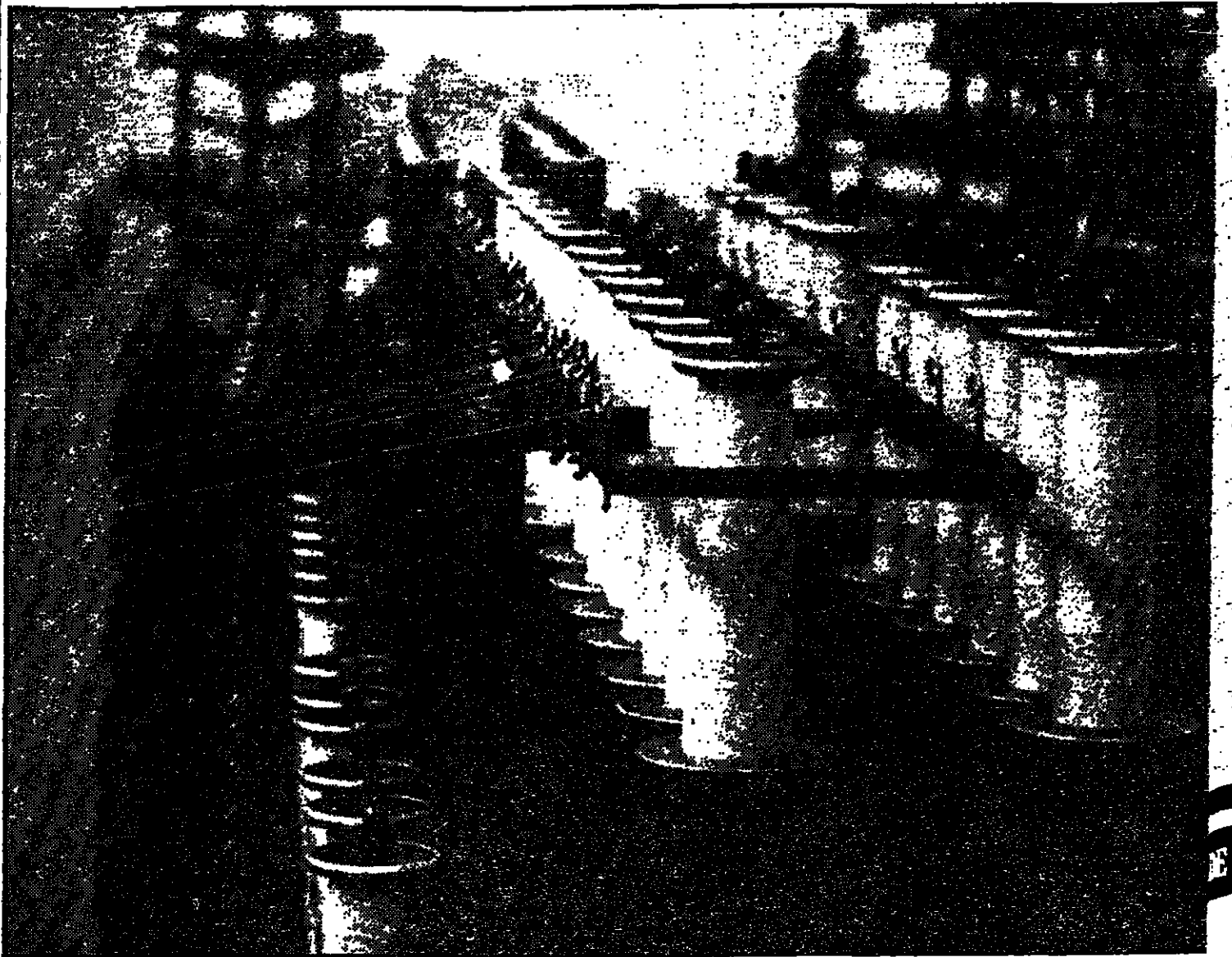
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FINSIDER GROUP ITALY

مكتبة من الأصول

Where workers get more from life than their Irish counterparts



For the workers, it's a better life at Vimercate in Northern Italy than at Lisburn in Northern Ireland. For the employer, considering higher labour costs make it an expensive operation, but there is a stimulus and satisfaction on the human level often absent in the United Kingdom.

Such is the impression gained from a visit to the British-owned Industria Filati di Lino e Capana, a plant employing 80 women and 60 men in the manufacture of thread, mostly for shoes. Lying half way between Milan and Bergamo, in sight of the alpine foothills, Vimercate a generation ago was an agricultural centre on the Lombardy plain. Now its 20,000 inhabitants supply labour for factories of IBM, Fiat's Telettra, the Bessetti textile group, and numerous small industries on which so much of North Italy's well-being is based.

Industria Filati, formed back in 1923 as a subsidiary of the Lino Thread Company of Glasgow, was for many years part of the Linde group. This was taken over last year by Hanson Trust, and the Italian company now is in the Hanson Campbell division of Hanson.

Its production is divided about equally between natural and synthetic threads. The group has a similar though larger plant at Lisburn and, even if statistics can sometimes mislead, a comparison between the two is possible.

Mr Stanley Bramley, originally from Nottingham, is convinced that his Italian workers get more out of life. An accountant, he was with a firm in Britain making nuts and bolts and admits to knowing not the first thing about threads when he arrived as managing director in 1970. Since then the company has always shown a profit, even if there is now a cyclical fall.

Since 1970 turnover has increased in volume from 270,000kg to 400,000kg a year and, in financial terms, now stands at about 4,500m lire (about £2.3m). None of

this comes from the "submerged" economy, which is behind the prosperity of so many small Italian entrepreneurs. "We have no black labour or under the counter payments," Mr Bramley says. "We run this company absolutely to the book."

Even if Britain and Italy are poor relations in the European Community, the workers in Italy enjoy a substantially higher wage than their Northern Irish counterparts. At Vimercate an unskilled woman textile worker (grade D in Italian terms) receives a monthly wage of 576,227 lire (about £300). When the thirteenth month for Christmas and the annual production bonus are added, this comes to 7,830,951 lire or £4,068 gross a year. Average take home pay is about 6m lire.

Negotiations are starting with the textile union on a new company agreement, so that these figures are soon likely to be higher. At Lisburn a comparable woman worker receives nearly 560 a week gross, or £3,119 a year, giving a take-home pocket estimated at about £2,228 a year.

The Italian has more leisure. Both plants have a 40-hour week, but in Italy there are 223 working days in a year after deduction of annual and public holidays, against 232 in Northern Ireland. Ten working hours a year, incidentally, are set aside for attendance at union meetings.

The Italian, Mr Bramley says, has also greater security. He or she can look forward to a pension worth 80 per cent of the last wage level if retiring after at least 40 years' service, or 75 per cent after 35 years. In addition a severance payment is made according to a rising scale, equivalent to nearly one month for every year of service for most workers.

For the management the picture is not rosy. Daily labour costs work out at 48,884 lire (£25.39) for a woman in this category, and 50,995 lire (£26.19) for a man. The Government reimburses a higher proportion of social security charges for

women. This is two thirds above the cost of £15.25 in Northern Ireland.

Such are the figures at present. But in Italy they are liable to be increased at least four times a year, and sometimes more, because of the quarterly adjustments indexed to the cost of living, and the negotiation every three years of both national and company labour contracts. It all adds to the budgeting difficulties of a firm's accountant.

Absenteeism is a problem, ranging from an average 18 to 25 per cent. So is the recruitment of labour, which has to go through the public labour exchange. Firms need to tempt them away from their rivals; while, if they wish to reduce staff, it is easier to await natural wastage than try to make dismissals. Industria Filati has made useful savings by not replacing the doorkeeper and the company electrician when they retired.

Without going into the problems facing management outside the factory walls it is enough to say that dealing with local authorities and banks is more complicated and long-winded than in Britain.

Yet, with all this, there are compensations. Since 1975 the company has had only one in-house strike, as distinct from those ordered on a national level. With only 140 workers, admittedly, a relationship can be maintained with the unions and a six-strong workers' council that is impossible in a giant like Montefibre or Snia Viscosa.

There are none of the British frustrations over demarcation. "We are tremendously flexible on what we do and how we do it," Mr Bramley says. Among the management, too, "no one is in a little pigeon hole."

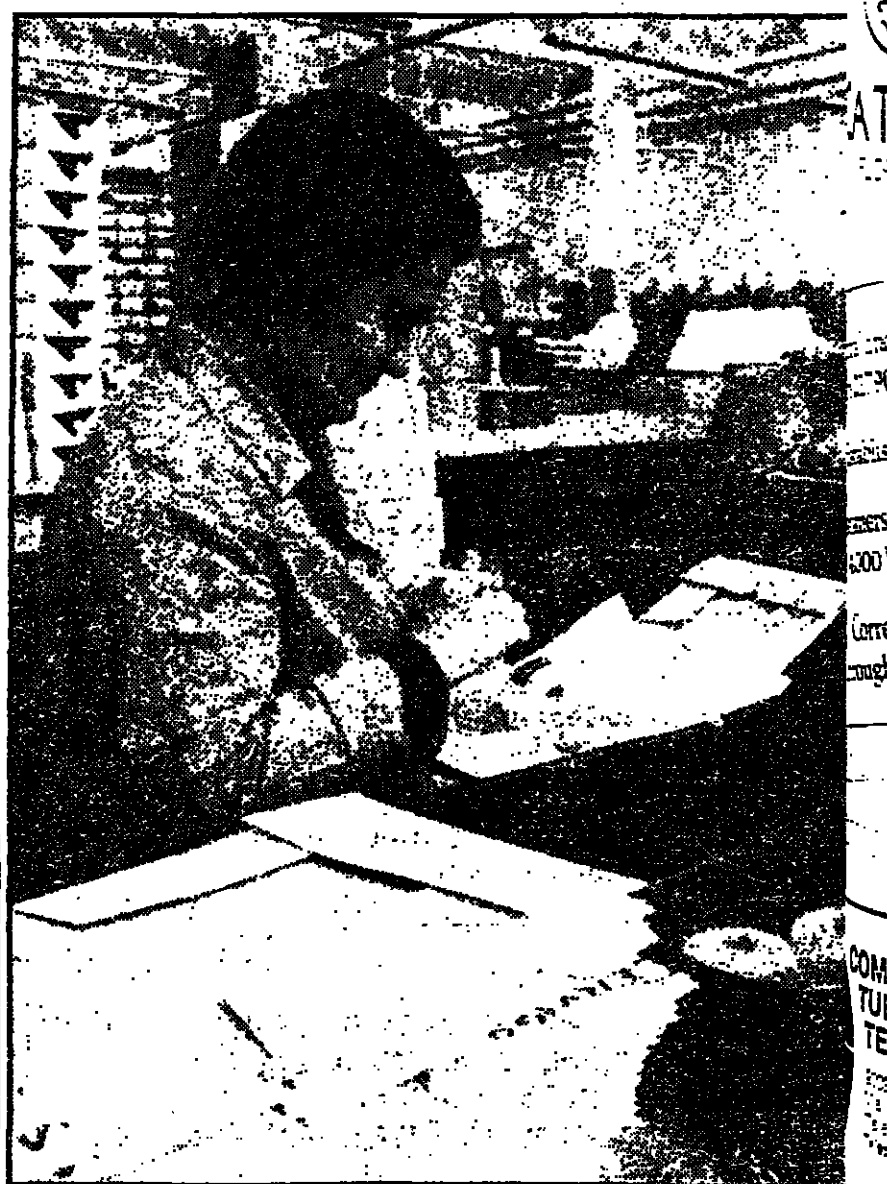
In the mid-1970s the company was forced by environmental legislation—which is

probably in advance in Britain—to install expensive effluent treatment plant, to discharge water into the local river. This was done by piling up an outside concrete building itself a nuisance, to be dismantled in September.

Above all, Mr Bramley struck by the pride of the workforce in pany and its equipment. Their enormous effort for new machinery some new machinery the workers were to get it operating assembled it in a

So, if a higher paid for manpower balance sheet, it brings in Northern reward in human terms is lacking in old industrialized societies.

John



Top: synthetic sewing thread is stretched and lubricated at the Vimercate factory. Above: Signora Innocente Colombo, who has worked for the firm for more than 30 years, packs balls of single shoe thread. Industria Filati is one of the few companies in Europe still producing this type of thread.

Isveimer

26th FINANCIAL YEAR

The Meeting of the shareholders of the ISVEIMER Endowment Fund - Institute for the Economic Development of Southern Italy - has approved the balance sheet for the financial year 1979 which is summed up in the following figures:

BALANCE SHEET AS AT 31st DECEMBER 1979

ASSETS

- Available funds	151,253,972,775
- Sharing in by quotas to be paid for increase of endowment fund	1,656,000,000
- Loans and credits	2,137,735,825,415
- Shareholdings	4,935,140,026
- Security investments	143,899,504,278
- Other entries	232,647,625,064
Lit. 2,666,128,067,558	

- Obligations to third parties	853,322,312,735
- Suspense accounts	193,085,210,225
Lit. 3,712,535,590,618	

LIABILITIES

- Endowment fund, reserve fund and fund covering all risks	401,720,862,165
- Debenture loans	1,654,500,312,268
- Advances by the Treasury, by Casmez, by medium-credit institution and BEI	344,646,527,037
- Foreign currency loans	84,512,500,000
- Reserve fund and sinking fund	28,957,386,635
- Other entries	140,670,778,282
- Net profit	12,119,570,971
Lit. 2,666,128,067,558	

- Obligations to third parties	853,322,312,735
- Suspense accounts	193,085,210,225
Lit. 3,712,535,590,618	

Isveimer carries out its medium-term credit activity, both at low interest and market rates, in Southern Continental Italy, by the following operations:

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- Financing for the realization of construction enterprises, reactivation and enlargement of industrial plants.
- Business financing.
- Operations on medium-term credit for export of goods, services and for execution of works abroad.
- Naval credit for the construction, transformation of ships and the purchase of craft already in operation abroad.
- Tourist credit for hotel trade.

At market rates

- Financing for building, modernization or enlargements of industrial plants and for stock supplies.
- Subsidiaries and exchange discounts.
- Opening of credits.
- Discounts and advances by regular proxy on yearly instalments due from the State, Regions, Provinces, Municipalities, Consortia and other public bodies.
- Subscription of bond loans upon issue.
- Contingencies and advances on State bonds, securities, as well as discounts on ordinary Treasury bonds.
- Other operations provided for by particular provisions of the law.

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Fime Trading is a public company established in 1978 to promote and develop the export of Southern Italian products as well as the import of raw materials and semi-finished goods.

Fime Trading shareholders are:
10 first-rate Italian banks and credit institutions for 1/3
ENI, the Italian state-owned oil Agency, for 1/3

FIME, a public financial company for the development of Southern Italy, for 1/3.

It is known that most of the Southern Italian enterprises are of small-medium dimensions. These enterprises taken as a whole have an appreciable production capacity and good technological know-how that allows for market competitive products. However, lack in financial capacity and international experience prevent them from playing an important and continuous role in the world market. Fime Trading has been constituted with the purpose of overcoming these limits. Fime Trading intent is to play the role of a Purchasing Center for Southern Italy goods and for the foreign markets, thus developing a two-way trade to and from Southern Italy.

To accomplish the company fundamental targets, Fime Trading covers a wide range of activities:

- market analysis and product engineering
- export of southern Italian products
- a) providing for the southern enterprises commercial financial and technical support; and
- b) ensuring to the foreign buyers the products quality, the standards required, the delivery terms and, in general, the full compliance with the terms and conditions of the contract
- Import of raw materials and semi-finished goods for the Southern processing industry
- financial assistance to both buyers and suppliers by means of soft loans, factoring, confirming and forfaiting operations. In this respect Fime Trading as a public company has access to all credit facilities provided by the Italian export credit institutions
- establishment and operation of sales and distribution systems, warehouses, depots in Italy and abroad
- general contractship in large integrated projects so to offer and manage packages and turn-key projects.

Fime Trading covers all the range of the productive sectors of Southern Italy and mainly:

- machinery, infrastructures and services for agricultural development
- machinery and equipment for wood-working industry
- furniture manufacturing
- foodstuffs and canning industry
- textiles, clothing and leather industry.
- building industry, infrastructures and technical installations
- industrial plants and machinery in all productive sectors
- hotel construction, furnishings and equipment
- hospital construction, furnishings and equipment.

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IMPORT EXPORT

FINANCIAL ASSISTANCE GENERAL CONTRACTORSHIP

MARKET ANALYSIS

PRODUCT ENGINEERING

Individual is better off than the mass

continued from page 1

over commissions, while supplies from Iran have dwindled to a trickle and those from Libya are considered unreliable. Only now are the authorities giving priority to diversifying to non-Arab sources like Venezuela, Mexico and Nigeria. Britain, for its part, has shown little sensitivity to the needs of Italy as an EEC partner.

Another source of anxiety outlook, however, one is the danger of public spending getting out of hand. The Government is in drift, the country has once

maintaining a limit on the more a government public deficit for 1990 of majority. Once the election results of small Liberal opposition party maintains that this is window dressing, and the extra cost of the new health service, concessions to the unions over family allowances, and new labour contracts for public employees in time, if Italy will add another 7,000,000m lire (£3,630m).

Even with a worsening public deficit, however, one advantage should not be overlooked. After months of hand, the Government is in drift, the country has once

Exchange rate used lire to £1.

هكذا من الأصل

ITALY

Revitalizing the chemical industry

For three difficult years, the chemical industry has been on its feet. In an effort to ensure both finance and feedstocks and to make Italian chemical companies competitive in international markets, the Communist Party is pushing hard for the reorganisation of large sections of the industry under the state-controlled hydrocarbons conglomerate, ENI.

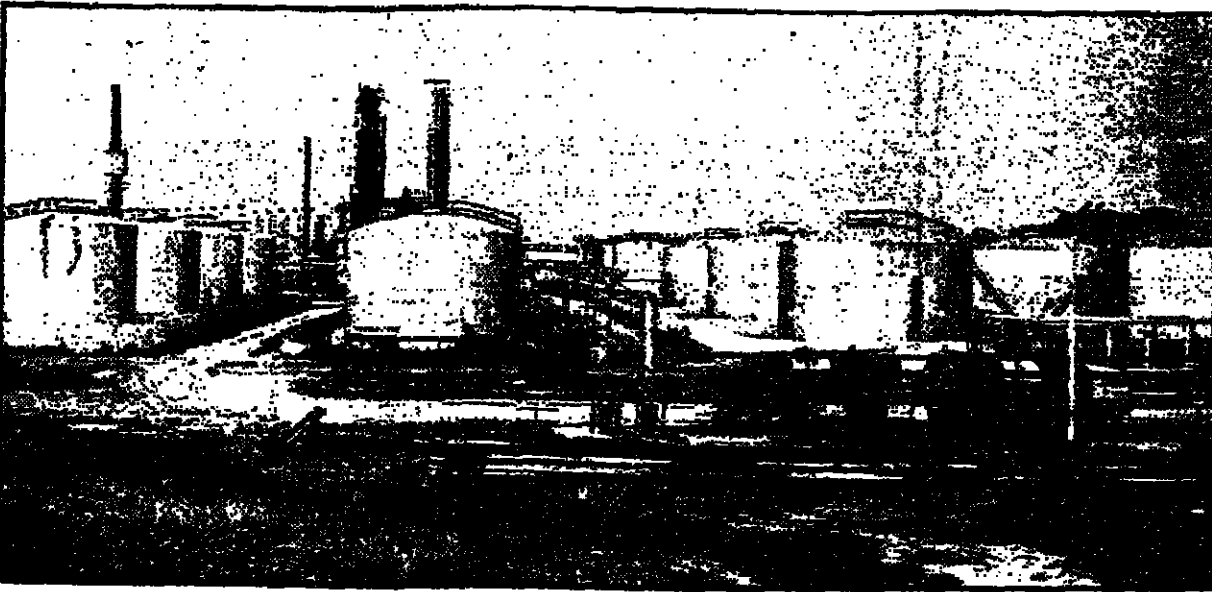
ENI already owns Anic and about 12 per cent of Montedison. The argument now goes that, since private investors are showing no interest in STR and Liquichimica, ENI should step in to fill the vacuum with direct or indirect shareholdings. What would then remain in the private sector would be most of Montedison—provided that a strong new private shareholder can be found—and Enia Viscosa.

But if ENI may once have been in a position to reorganize large parts of the chemical industry, it hardly looks capable of doing so now. What was once a fine example of state-controlled efficiency now has its own difficulties. Last December its president, Signor Giorgio, was first dismissed then reinstated as a result of a controversy over commissions paid to its modern and advanced oil supply programmes with Saudi Arabia.

Attempts to find a new head for ENI have been delayed by the continuation of the political feuding that has brought down Signor Mazzanti. This has meant that policy decisions and long-term planning have been almost at a standstill for six months, with obvious consequences for Italy's energy supplies.

So far no substitute has been found for the 55 million barrels of oil Saudi Arabia had agreed to supply over a three-year period, not for several of the other large contracts which fall due later this year. The Government tends to play down the gravity of the situation with assurances that there is no danger of oil shortages this autumn. Even if this is true it is clear that, as Italy still depends almost entirely on imports of oil and natural gas for its energy supplies, the Government cannot afford to let the paralysis at ENI linger on.

Mary Venturini



A fashion boom — but will it last?

Italian fashions and textiles are enjoying an extraordinary popularity and have become an integral part of the nation's economy. But there are fears that a slowdown in the world economy this year could cancel out some of the gains.

Exports of textiles, clothing and accessories doubled from 1976 to 1979, reaching a total of 7,719,000m lire, or one eighth of Italy's total exports. It was a remarkable performance.

The National Chamber of High Fashion Design offers two explanations: "There is the fundamental quality of our material, especially the textiles from northern Italy near Como," says a spokeswoman, Manuela Marengo, "and Italy has new stylists who are getting better all the time."

Sceptics might add that much of the highly competitive Italian textile industry is based on the work of non-unionized and untaxed "black labour"—an illegal army of employees and subcontractors who produce at much lower cost than their rivals in France and elsewhere in Europe.

Among the big names in Italian fashion and design are Giorgio Armani, Bertone, Krizia and Missoni in prêt-à-porter, based in Milan, and Roman high fashion houses such as Lan- ceri, Barocco, Galimberti and Titta Rosati. Some houses like Valentino produce high fashion as well as prêt-à-porter.

Almost all Italian houses have been enjoying the boom, but this year poses doubts for a number of them.

"At the Milan prêt-à-porter shows in March, we saw sales were down by between 30 and 50 per cent," Edda Lancetti says, "but we have not been affected. At the very high price level in the market, our share is not at risk. We have not sold less."

Fewer buyers came to Milan this year, partly because of the economic slowdown in the United States and partly because of inflation at more than 20 per cent a year is pushing up Italian prices.

But although fewer foreign buyers came, buying on the internal Italian market increased and made up for some of the losses. The question is: how long will the Italian market hold up in the face of a world slowdown?

In any event, the Italians are expanding optimistically. Lancetti, which claims its textiles to be among the most sought-after in the world, is expanding into prêt-à-porter at the next Milan show in September.

While Lancetti aims for women, the dramatically successful Giorgio Armani is enjoying a yearly business turnover of \$90m, of which \$65m is men's wear.

Signor Armani's style, which has been a hit in the United States, features broader lapels, wider shoulders and smaller waists.

While Italian designers have been doing well with innovative fashions and designs, producers of classic designs have been enjoying the boom as well. One of them is the house of Gucci, traditional and conservative in design but a radical genius in marketing skill.

"In the first quarter of 1980, we increased by about 70 per cent in money and 42 per cent in terms of units sold," Signor Roberto Gucci, executive vice president, says. "We cannot produce enough."

About 50 per cent of Gucci's output, ranging from his best-known scarves and leather bags to clothing, suitcases, shoes, jewelry and perfume, is exported. Half of what stays in Italy is snapped up by foreign tourists.

In a display of Gucci's marketing skill, the Florentine house opened a four-storey store on Fifth Avenue in Manhattan last week with a special floor, the Gucci Gallery, "for special customers who have been especially devoted to Gucci."

Devotion to Gucci is described as being a good and regular charge account customer. These specially privileged people are to be given a key which opens the way to the Gucci Gallery.

Gucci's success lies in its decision to make signed and readily recognizable goods in classical styles which will last. The first Gucci scarf, designed 40 years ago, is still the biggest seller.

Gucci moves slowly. Six months ago, it ordered its styles for 1981. "We believe in fashion and in being up-to-date. We have no hippy styles."

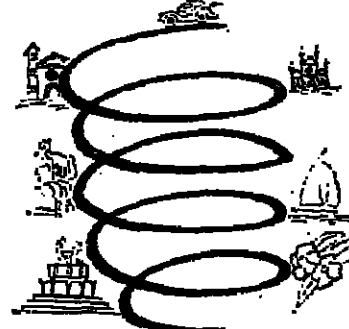
Like many Italian producers, he has aimed for the top of the market with craftsman-made products, and succeeded. There is no such thing as a Gucci "bar-the-boom" as well. One of \$4 and a key-ring \$7. A suitcase can cost \$4,000 and jewelry \$80,000.

Rita Dallas



Outfit in mustard-coloured wool gabardine with crêpe-de-chine cravat shown by Krizia in Milan last March—part of its autumn-winter 1980-81 collection.

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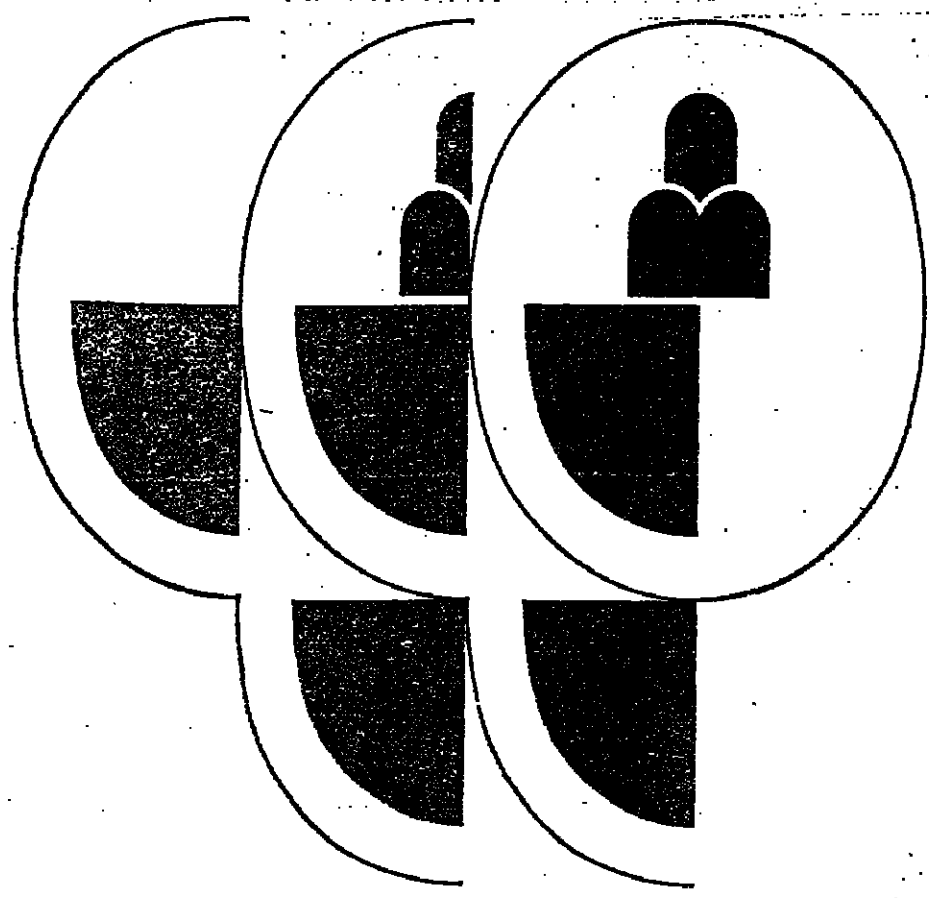


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ITALY

Hotel industry is healthy but has its problems

With tourism firmly established as one of Italy's most successful sources of foreign currency, the health of the hotel industry is important to its economy. Nearly 30,500 hotels and more than 9,000 pensiones are registered by the authorities, and last year a record total of more than 17,700,000 foreign visitors went to Italy, an increase of 16 per cent over 1978.

Hotel occupancy is recorded by bednights; in 1979 these totalled 327 million, of which 102 million were taken by foreigners. Statistics do not specify between those on business or holiday, but hoteliers to whom I talked recently in Italy emphasized that business, conference and intensive travel is now a buoyant sector of the market.

With inflation running at a similar rate to that in Britain, hotel prices have increased, on average, by between 30 per cent and 40 per cent over the past two years. They are controlled by the regional tourist boards, and owners can apply for increases every six months, although in practice it usually takes a year for the rise to be registered.

Hoteliers consider inflation and the difficulty of finding enough experienced staff to be two of their greatest problems. Good Italian waiters, often rated in the industry as the best in the world, are much sought after abroad. Although some leave home only for a few years to learn languages and earn higher wages, their absence is significant.

Hoteliers are also hampered in offering the traditional Italian welcome by increasingly restrictive labour laws. This is seen at its worst in shorter restaurant hours.

Strikes, too, have been a serious if intermittent problem since the late 1960s, but this year, a leading Florentine hotelier told me: "Things are much more tranquil, although the price of peace has been a six-and-a-half hour working day". This means that owners must pay dearly if they wish to offer restaurant and room service of top international standard.

One of the leading chains is Ciga, which owns 11 of the country's 46 luxury hotels, including the Excelsior in Rome, Florence and Venice Lido, and those most-tastefully Edwardian

palaces, the Iles Borromées in Suresa and the Hotel des Bains in Venice Lido (an important location for the film *Death in Venice*). They also own the superbly converted 15th-century doge's palace in Venice, the Gritti Palace. On the terrace facing the Grand Canal, I talked to the director, Dr Nicola Passante, and to the promotional director, Signor Claudio Miorelli.

Dr Passante told me that staff relations generally have been much happier for the past two years—"since the unions have reached a number of goals, and of course we know that staff are attracted by traditional establishments like this, where guests must be known by name, and not by room number". The Gritti



has 92 rooms, 11 suites, and 120 staff to look after a maximum of about 160 guests.

Signor Miorelli showed me the new "corporate card" giving special discounts and facilities, the most luxurious being two seven-seater Cessna executive jets which Ciga hires to clients. To attract tourists in spring, the Gritti runs art and history courses, and, in high summer—"a quiet time for us"—it has courses to teach Venetian cuisine and *cucina verita* (genuine cooking). Five per cent of the profits

are given to help to restore the Pantheon of the Doges, the Basilica SS Giovanni e Paolo.

Until four years ago, when a new board took over the Ciga management, the chain was not very profitable. "With more dynamic advertising and promotion of the company name, we now show profits for 1979 increased by more than 28 per cent over 1978", Signor Miorelli said. The newly-enlivened winter season (especially the revived February carnival, with masked balls) has been a notable boost to the Gritti.

Another influential chain is Jolly Hotels, which owns 30 hotels—all but one first class—up and down the country from Trieste to Siracusa. Most are modern, the latest being the Milano Due, four miles from the city, whose sound-proofing, they claim, is so effective that "you can't even hear a fly buzzing at the window".

Jolly considers that new city centre hotels are no longer economic to build. "We estimate that they cost about 60m lire for each room", its promotion manager, Signor Antonio Esposito, said. Jolly finds the most difficult staff problem in the restaurants, and after study visits abroad, the company decided to introduce what has proved to be its most dramatic success—persuading Italians, who usually snatch just a hasty cup of coffee, to eat breakfast.

Signor Domenico Rossio, its provisioning manager, told me at its Valdarno headquarters, near Vicenza, that in the self-service buffet, Buongiorno Jolly la *sanziosa piccola colazione* is included in room rates. "In 1977, the first year, 20 per cent of guests took it. Last year the figure reached 95 per cent. This helped to treble general restaurant profits."

At Valdarno I visited the Jolly kitchens, remarkably organized for centralized preparation of certain pastas and entrées, and basic sauces, which are then vacuum sealed and frozen for distribution throughout the chain. These, with some meat and dairy products from its own farms, and good wines from its own Veneto estate, help to cut restaurant overheads. Count Paolo Marzotto, who is one of the group directors, told me: "I consider that the hotel industry still offers a very promising and lucrative career to young Italians, provided that they are prepared to gain good experience and work hard."

Room rates (average)

Ciga group
De luxe hotels:
Single, £54; double, £72.
First-class hotels:
Single, £23; double, £35.
Jolly group
Single, £13-£22; double, £32-£44 (includes breakfast).
Croce di Malta, Florence
Single, £24; double, £32.
Hotel President, Lecce
Single, £13; double, £20.



Top: the hall of the Gritti Palace Hotel in Venice. Above: Dr Nicola Passante, director of the hotel.

For many travellers, the individually-owned Italian hotel can be incomparable, when all the national flair for creating atmosphere and style has full scope. Typical of all this is the Croce di Malta, a 112-room first-class hotel in the heart of Florence, I talked there to the owner, the 50-year-old Florentine architect Dr Piero Brogi, who bought in 1962 what he called "a very dignified old place" built on Roman foundations. Once a medieval convent, it became a private palazzo, and was turned into a hotel before the war.

"It obviously interested me as an investment, but I wanted to rebuild it with my personal style, respecting its past, keeping the rapport between it and the character of my city." He found a "very exciting challenge" in using modern materials—concrete, steel, smoked glass—to blend with the original features. His achievement is most unusual and elegant, with a patio where a fountain plays its reply.

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Lecco, the splendid city of Apulia. "people here are not prepared for tourists, and staff are genuinely surprised by what they lack of professional knowledge have no problems, disorder and little strikes."

Signor Tassi's main concern at running the city's modern hotel is to the authorities to traffic noise in the streets and to create pedestrian zones. "I have a small oasis, and I preserved that way."

in Trieste, both of renovated. "But I Venetian, in love city, and with this am achieving my ambition", he said.

Rebuilding it is a labour of love, walls had to be taken stone by stone and in the same way, I are an average metres of water up as everywhere in he explained. We newly constructed foundations which place those of the facade of the built historic monument been restored to its design, with floor windows remain same: Signor Bosch rifitting some inter space for a patio.

Agreeing with his guess that finding staff is a main Signor Bosch told am fortunate in many former e who are coming work for me. We a family, and I am gl I have never had a my hotels." What most important o success? "Human and friendliness in with guests and staff that is what coun his reply.

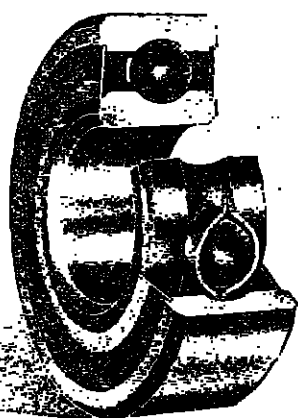
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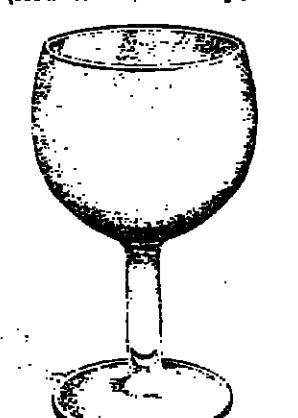
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Joyce Rad

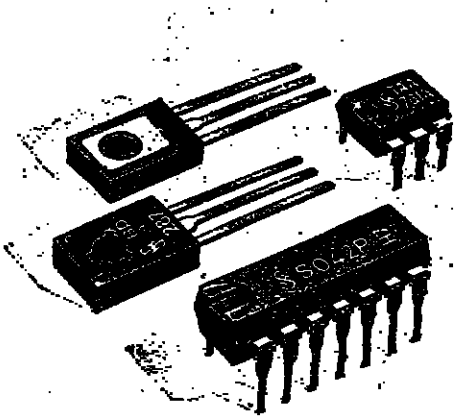
These famous Swedish, German, French, American and British products are all from Southern Italy.



SKF - Svenska Kullagar Fabriken
Plants in Medugno (Apulia) and Cassino (Southern Latium). Ball bearings.



Saint Gobain
Plants in Naples, Gaeta and Caserta (Campania), Frosinone and Agropoli (Southern Latium), Sassari and Cagliari (Sardinia), Kassina di Trevi. Bottles, glass containers, mirrors, plate glass, insulating fibre glass, lean polystyrene.



Siemens AG
Plants in Sulmona (Abruzzi), Pinerolo d'Ardenne and Casoria (Campania), Bari (Apulia). Electronic circuits, single and three-phase electricity meters, electronic computers, gas discharge tubes and mercury vapor lamps.



Texas Instruments Inc.
Plants in Naples (Campania) and Crotta Ducale (Southern Latium). Electronic aids, relays, thermostats, connectors, PCBs, security monitors, semiconductors, electronic equipment.



Farma Hoechst AG
Scappato Plant (Abruzzi). Pharmaceutical products.



Guala Petrol
Plants in Ascoli Satriano (Foggia), Avellino and Rieti. Cotton and man-made twisted thread for sewing and other semifinished products.

In fact they are manufactured in Italy's "Mezzogiorno" where incentives are unrivalled in Europe: cash grants (accounting for anything between 20% and 40% of fixed investments), soft loans (40% of total investment), full relief from social security contributions, tax allowances, joint venture opportunities (even with majority shareholding), free

technical assistance and training of personnel. An area of 20 million consumers within the even vaster 57 million Italian market and close to the Middle East with its considerable market potentials at a minimum transport cost distance apart. IASM, Istituto per l'Assistenza allo Sviluppo del Mezzogiorno (Institute for Assistance

in the Development of Southern Italy), has set up the Mezzogiorno Office at the London branch of the Istituto San Paolo di Torino. In order to offer specific information to businessmen interested in any industrial investment project in Southern Italy, Mezzogiorno Offices have been opened also in Frankfurt, Zürich, New York and Los Angeles.

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The breakfast time buffet at the Buongiorno Jolly.